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# *REPORT TO THE CONGRESS*

## Problems In Meeting Military Manpower Needs In The All-Volunteer Force B-177952

Department of Defense

*BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES*

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MAY 2, 1973



COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

B-177952

To the President of the Senate and the  
Speaker of the House of Representatives

We are reporting on the all-volunteer force to inform the Congress about the feasibility and cost of meeting military manpower objectives--both quantitative and qualitative--in fiscal year 1974.

We made our study pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Although we have not obtained formal comments on the report from the Department of Defense, we did give it an opportunity to present its comments informally and, where appropriate, we have included them in the report.

We are sending copies of this report to the Director, Office of Management and Budget; the Secretary of Defense; and the Secretaries of the Army, Navy, and Air Force.

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General  
of the United States

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#### ABBREVIATIONS

AVF	all-volunteer force
DOD	Department of Defense
GAO	General Accounting Office
OSD	Office of the Secretary of Defense
VRB	variable reenlistment bonus

#### LEGAL CITATIONS

Public Law 90-207, approved December 16, 1967, 81 Stat. 649  
 Public Law 92-129, approved September 28, 1971, 85 Stat. 348  
 Public Law 92-166, approved November 24, 1971, 85 Stat. 487  
 Public Law 92-171, approved November 24, 1971, 85 Stat. 490  
 Public Law 92-172, approved November 24, 1971, 85 Stat. 491  
 Public Law 92-426, approved September 21, 1972, 86 Stat. 713  
 Public Law 92-581, approved October 27, 1972, 86 Stat. 1277

D I G E S T

WHY THE STUDY WAS MADE

As July 1, 1973, draws near, the Congress is faced, essentially, with three choices in legislating the future method for obtaining men and women to serve in this country's Armed Forces.

- Let the present draft authority expire and rely entirely on volunteers.
- Extend the present system of inducting men into the service.
- Rely on an all-volunteer force (AVF), but enact some form of standby draft authority for the President to use in case of an emergency or the development of manpower shortages that cannot be met through voluntary methods.

In this report GAO has sought answers to some of the major issues associated with putting the volunteer system into operation.

GAO focused on the practicality and cost of meeting military manpower objectives--both quantitative and qualitative--in fiscal year 1974. The report is based on data obtained from the Office of the Secretary of Defense (OSD), the military services, and the Research Analysis Corporation, an Army contractor.

FINDINGS AND CONCLUSIONS

Background

In October 1968 the President started actions to move toward the AVF.

In January 1971 he proposed that the Congress extend induction authority to July 1, 1973, but indicated that every effort would be made to eliminate the use of the draft by that time.

In March 1973 the Secretary of Defense announced that the Administration would not ask for renewal of the induction authority.

This has been made possible by

- significant improvement in first-term pay,
- improved conditions of service life,
- training and assignment options,
- bonuses,
- greatly increased recruiting programs, and
- reduction of the military force structure to its lowest level since 1951.

Selective Service System to remain

The Congress grants the President induction authority for fixed periods of time--to supplement voluntary recruiting into the Armed Forces--in accordance with the Military Selective Service Act.

Although this authority expires June 30, 1973, all other sections of the act remain unchanged. Section 10(h) specifically prescribes the functions to be performed by an active standby Selective Service System.

These include

- registering men,
- holding an annual lottery,
- classifying registrants, and
- maintaining viable procedures and facilities to use in case reinstatement of induction authority becomes necessary. (See p. 8.)

Problems in meeting  
Active Force requirements

Obtaining and retaining sufficient officers, except those in the health professions (discussed below), does not appear to be a problem.

However, there appears to be less optimism about the ability of the services to obtain a sufficient quantity of qualified enlisted personnel. For the Active Forces, the key question is:

*Can the military services obtain a sufficient number of new enlistments in fiscal year 1974 and at the same time meet their quality goals--i.e., volunteers with the ability to learn and perform the hundreds of skills found in the military?*

To answer the question, GAO obtained data on true volunteers for a 3-year period and projected fiscal year 1974 enlistments. GAO compared these past trends and projections with fiscal year 1974 service quantity requirements and quality goals--such as limitations on personnel in the below-average mental category and non-high-school graduates. (See pp. 11 to 16.)

If these quality goals were rigid requirements (which they are not) there could be a shortfall of between 11,000 and 83,000 new enlistments in fiscal year 1974, compared with a total requirement of 354,000. (See pp. 25 and 26.)

The shortfall would occur primarily in the Army and the Marine Corps and to a small degree in the Navy. (See p. 26.)

To avoid these shortfalls the services can accept more mental category IV men and more enlistees who have not graduated from high school. For example, to meet its fiscal year 1974 enlistment requirement of 162,000, the Army may need to accept between 21 and 33 percent of mental category IV enlistees compared with a desired limitation of 20 percent. (See p. 17.)

Service quality goals have been set at levels difficult to obtain.

- The Army's high school graduate goal, 70 percent, has been achieved with true volunteers in only 1 month since January 1970. (See p. 18.)
- The Marine Corps' goal, 65 percent, has not been achieved at all during this period. (See p. 21.)
- The Navy's goal, 80 percent, has been achieved in only 1 month. (See p. 23.)

--The Air Force has had no difficulty in maintaining quality. (See p. 24.)

DOD officials, in commenting on these matters, stated that the quality mix of today's force is substantially richer than it was in the years of heavy draft use and that service quality standards are unrealistically high. DOD forecasts that military performance standards will not be lowered because of any inability to obtain recruits of the quality needed.

The importance of obtaining the desired quality of enlistees is illustrated by the fact that the services now have imbalances in skills resulting from a combination of

--insufficient men of required aptitude and school preference (see pp. 28 to 30) and

--inadequate retention of men in desired skills. (See pp. 31 to 40.)

In the Army and the Marine Corps, for example, over half of the skill categories were either overmanned or undermanned by more than 20 percent as of June 30, 1972.

These problems are likely to persist, and perhaps worsen, under the AVF. The Selective Reenlistment Bonus proposed by DOD is one technique designed to cope with this problem. (See p. 38.)

Renewing the Combat Arms Bonus appears essential to avoid a shortfall which could reach 20 percent in the Army's combat arms enlistments in fiscal year 1974. Furthermore, DOD estimates that continuing the bonus at current levels will reduce the annual enlistment requirement by at least 5,700 from fiscal year 1975 on and that by 1979 the annual reduction could be as high as 9,400. (See pp. 41 to 43.)

### Problems in obtaining enough physicians

At the end of calendar year 1972, only 16 percent of the physicians who entered military service in fiscal year 1970 were still in service. Few physicians have been drafted. To avoid being drafted, more physicians in medical training joined the military service under special programs. The largest of these is the Berry Plan which, in exchange for a 2-year service obligation, permits full deferment from active duty until specialty training has been completed. (See p. 44.)

The number of physicians participating in the Berry Plan and in other programs is expected to decline sharply without a draft. DOD expects, however, that a scholarship program established in September 1972 and the proposed special pay and enlistment bonuses for health care professionals will help alleviate shortages of physicians in future years. (See p. 45.)

Future requirements for physicians can be reduced significantly by exploiting many opportunities for conserving medical manpower resources. (See pp. 46 to 49.)

### Alternatives for meeting Active Force military requirements

Alternatives to using male volunteers to fill military requirements include

--increasing the use of military women and

--converting military positions to civilian positions.

In addition, recruiting men and women with civilian-acquired skills directly into upper enlisted grades (known as lateral entry programs)

could assist in alleviating the problem of skill imbalances.

### Women

In fiscal year 1972 women (including nurses) represented 1.9 percent of military strength. If the services' goals are met, women will represent 4.2 percent of military strength by the end of fiscal year 1977.

It is apparent that much greater potential exists to use women in uniform. (See pp. 50 and 51.)

### Civilians

As of December 31, 1972, about 1.08 million civilians worked for DOD, or about 32 percent of the total DOD manpower. In October 1972 a DOD task force issued a report on substituting civilians for military personnel in the Armed Forces. The task force concluded that, theoretically, 102,862 enlisted support positions in the continental United States could be converted to civilian positions in fiscal year 1974.

Two plans were considered realistic--one to convert 35,000 military positions to civilian positions (low plan), another to convert 70,000 (high plan).

In December 1972 the Deputy Secretary of Defense directed the Army, Navy, and Air Force each to convert a minimum of 10,000 military positions to civilian positions in fiscal year 1974. The Marine Corps was directed to convert at least 1,000. Here again, significant additional potential exists. (See pp. 52 to 54.)

### Lateral entry

DOD requirements for high-quality military personnel can also be

met by recruiting those who have acquired advanced skills in civilian life and who can be used without a great amount of further training. The services' lateral entry programs have been very limited. (See pp. 54 and 55.)

### Problems in meeting the manpower requirements of the Reserve components

On February 15, 1972, the Secretary of Defense told the Congress that, under the President's policy, the Reserve and Guard would be the initial and primary sources for increasing the Active Forces in any future emergency. On January 20, 1973, the Secretary told the Congress that unit structures and mission assignments were being revised to make them more compatible with mobilization needs and that priority missions were being transferred from the Active Forces to the Guard and Reserve where the ability to perform such missions has been demonstrated.

This increased emphasis on Reserve components makes shortfalls more significant. DOD is predicting that Guard and Reserve Forces' manning levels will decline from 914,000 on June 30, 1973, to about 875,000 by June 30, 1974. This could be 97,000 below the mobilization objective level of 971,000 for June 30, 1974. (See pp. 56 to 62.)

### Cost of the AVF

DOD programs for the AVF have contributed about 23 percent of the increased manpower costs which have occurred since 1968. OSD's Project Volunteer costs budgeted for fiscal year 1974 are about \$3.192 billion (including \$225 million for the proposed Uniformed Services Special Pay Act).

The Army has budgeted about \$2.022 billion, exclusive of Project Volunteer funding, in soldier-oriented improvements, some of which received priority because of the effort to move to an AVF. GAO estimates the incremental costs primarily related to the AVF, may be as much as \$1.090 billion.

The transition to an AVF in recent years has been accompanied by decreasing force levels and increasing manpower costs. If force levels need to be increased in the future, the cost of volunteers may increase sharply. (See pp. 63 to 69.)

MATTERS FOR CONSIDERATION  
BY THE CONGRESS

1. What are realistic minimum quality standards for each service, both for Active and Reserve Forces?
2. What is the probable force level of minimum quality that can be supported without using the draft? If unemployment rates for young men decrease, will this make it more difficult to attract qualified personnel?
3. Should some form of standby induction authority be enacted
  - to save time in the event of an emergency?
  - to provide a means of meeting serious shortages in peacetime?
4. Will some type of draft be required if there are not enough physicians after fiscal year 1974?
5. Will some type of draft be required if deficits in the Reserve components cannot be overcome?
6. Will the Uniformed Services Special Pay Act overcome the above problems?

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## CHAPTER 1

### INTRODUCTION

Except for brief periods of time, the Department of Defense (DOD) has relied on a draft system for more than 30 years to obtain men for the Armed Forces. Since October 1968 President Nixon has been moving toward an all-volunteer force (AVF), and DOD plans to rely entirely on volunteers after July 1, 1973. Following is a chronology of events leading toward an AVF.

- In March 1969 the President appointed a commission to develop a comprehensive plan for eliminating the draft.
- In November 1969 the President reduced the period of prime draft vulnerability from 7 years to 1 year and provided for draft selection by lottery.
- In February 1970 the Presidential Commission concluded that the Nation's interest would be better served by an AVF, supported by an effective standby draft, and that the first step was to remove the inequity in the pay of men serving their first terms in the Armed Forces.
- In October 1970 the Secretary of Defense directed the military departments to move toward an AVF and set July 1, 1973, as the goal.
- In January 1971 the President proposed that induction authority be extended to July 1, 1973, and said that every endeavor would be made to eliminate the use of the draft by that time.
- In September 1971, after extensive debate, the Congress extended induction authority to July 1, 1973, and passed legislation on pay and benefits for an AVF.
- In August 1972 the Secretary of Defense reported to the President and the Congress that DOD was within reach of achieving an AVF composed of 2.3 million active-duty and 1 million reserve forces.

- In January 1973 the Secretary of Defense announced that the draft had ended for all but doctors and dentists.
- On March 21, 1973, the Secretary of Defense announced that the Administration would not ask for renewal of the induction authority upon its expiration on July 1, 1973.

### SELECTIVE SERVICE SYSTEM

The law requiring registration of 18-year-old men does not expire. The functions to be performed by the standby Selective Service organization, as proposed by the Administration to carry out section 10(h) of the Military Selective Service Act, are: registration, hold an annual lottery (this year's was held on March 8), classify registrants, and maintain viable procedures and necessary facilities in the event of a future need for inductions. The Selective Service Director has stated that about one-fourth, or 500,000, of the 1.9 million men who register each year will be classified. The Director has advised the Congress that, after the draft ends, DOD does not want continuing registration requirements to be used as a subtle form of pressure to get men to volunteer. DOD will give physical examinations for registrants if authorized as a standby Selective Service function.

The Selective Service System employs about 7,300 personnel at national headquarters, 50 State headquarters, approximately 2,800 local board sites, a computer service center, and 6 regional office centers. Its proposed fiscal year 1974 budget is about \$55 million, compared with \$83.3 million for fiscal year 1973. The Selective Service System plans to decrease the number of local board sites to 925 and the number of personnel to 4,350 by December 1973.

## CHAPTER 2

### ABILITY OF SERVICES TO OBTAIN REQUIRED

#### ACTIVE-DUTY PERSONNEL

The principle issues affecting the feasibility of an AVF are the services' abilities to obtain and retain a sufficient quantity of qualified enlisted personnel to support desired force levels. Obtaining and retaining sufficient officers, except those in the health professions, does not appear to be an immediate problem.

The general consensus is that first-term reenlistment rates will improve as the number of first-term volunteers increases; that is, volunteers would more likely reenlist than draftees or draft-motivated enlistees. However, specific skill areas may have reenlistment problems, particularly when equivalent civilian jobs pay more.

DOD estimates that the fiscal year 1973 level of true volunteers will meet fiscal year 1974 accession requirements in the Navy, Marine Corps, and Air Force. DOD believes the Army can obtain about 10,000 more true volunteers than its demonstrated capability in fiscal year 1973, and this increase will enable the Army to meet fiscal year 1974 accession requirements. DOD also forecasts that military performance standards will not be lowered in a volunteer force because of any inability to obtain recruits of the needed quality.

Because studies we reviewed showed less optimism about the ability of the services to obtain the sufficient quantity and quality of new enlistees, we concentrated on their ability to do so. Our analyses show:

1. The Army will not meet its fiscal year 1974 stated accession requirements and at the same time meet its quality goals. (See pp. 16 to 19.)

--At current levels of mental category I, II, and III true volunteer accessions and allowing for 20 percent mental category IVs, between 136,000 and 161,000 Army enlistments can be expected in fiscal year 1974, compared with stated

requirements of 162,000. Increasing mental category IV accession percentages to between 21 percent and 33 percent would be necessary to obtain 162,000 enlistments. (See p. 17.) The Office of the Secretary of Defense (OSD) estimates fiscal year 1974 Army accession capability at 162,000.

--At current levels of mental category I, II, and IIIA true volunteer accessions and a fiscal year 1974 goal that 60 percent of Army accessions be in these mental categories, a maximum of 129,000 Army enlistments can be expected in fiscal year 1974, compared with stated requirements of 162,000. (See p. 17.)

--At current levels of accessions of true volunteer high school graduates and a fiscal year 1974 goal of 70 percent high school graduates, a maximum of 104,000 Army enlistments can be expected in fiscal year 1974, compared with stated requirements of 162,000. (See p. 17.)

2. The Marine Corps will not meet its fiscal year 1974 stated accession requirements and at the same time meet its quality goals. (See pp. 19 to 21.)

--At current levels of mental category I, II, and III true volunteer accessions and allowing for 10 percent mental category IVs, between 36,000 and 42,000 Marine Corps accessions can be expected in fiscal year 1974, compared with stated requirements of 52,000. Increasing mental category IV accession percentages to between 28 percent and 39 percent would be necessary to obtain 52,000 enlistments. (See pp. 19 to 21.) OSD estimates fiscal year 1974 Marine Corps accession capability at 52,000.

--At current levels of true volunteer high school graduate accessions and a fiscal year 1974 goal of 65 percent high school graduates, a maximum of 32,000 Marine Corps enlistments can be expected in fiscal year 1974, compared with stated requirements of 52,000. (See p. 21.)

3. The Navy may not meet its fiscal year 1974 accession requirements and at the same time meet its quality goals. (See pp. 21 to 23.)

--At recent levels of mental category I, II, and III true volunteer accessions and allowing for 10 percent mental category IVs, between 66,000 and 77,000 Navy accessions can be expected in fiscal year 1974, compared with stated requirements of 75,000. (See p. 22.) OSD estimates fiscal year 1974 Navy accession capability at 91,000.

--At recent levels of true volunteer high school graduate accessions and a fiscal year 1974 goal of 80 percent high school graduates, a maximum of 70,000 Navy enlistments can be expected in fiscal year 1974, compared with stated requirements of 75,000. (See p. 23.)

4. The Air Force will meet its fiscal year 1974 accession requirements and maintain a high quality of enlistments. (See pp. 23 to 25.)

--At current levels of mental category I, II, and III true volunteer accessions and allowing for 5 percent mental category IVs, between 71,000 and 80,000 Air Force accessions can be attained in fiscal year 1974, compared with stated requirements of 65,000. (See pp. 23 and 24.) OSD estimates fiscal year 1974 Air Force accession capability at 84,000.

#### REQUIREMENTS FOR ENLISTMENTS

OSD furnished estimated accession requirements for fiscal year 1974, and the services furnished the qualitative goals. OSD considers the high school graduate objectives stated by the services as desirable goals, rather than as requirements.

<u>Service</u>	OSD <u>accession requirement</u>	Service-stated quality goals <u>(note a)</u>
Army	<sup>b</sup> 162,000	70 percent high school graduates 60 percent mental categories I, II, and IIIA (note c)
Navy	75,000	80 percent high school graduates
Air Force	65,000	Individual service school standards
Marine Corps	<u>52,000</u>	65 percent high school graduates
Total	<u>354,000</u>	

<sup>a</sup>See appendix I for a discussion of mental categories.

<sup>b</sup>Reduced from 170,000 by DOD after the Vietnam withdrawal.

<sup>c</sup>Army computed this requirement at 47 percent but raised the goal to 60 percent to allow for filling numerous enlistment options. (See pp. 14 and 15 for further discussion.)

DOD accession requirements were based on projected force levels, as follows:

<u>Service</u>	<u>Force level (note a)</u>	
	<u>June 30, 1973</u>	<u>June 30, 1974</u>
Army	815,000	791,000
Navy	574,000	566,000
Air Force	692,000	666,000
Marine Corps	<u>197,000</u>	<u>196,000</u>
Total	<u>2,278,000</u>	<sup>b</sup> <u>2,220,000</u>

<sup>a</sup>Includes officers and enlisted personnel and reflects OSD's reductions in budget levels after the Vietnam withdrawal.

<sup>b</sup>Does not add due to rounding.

The accession requirements and quality goals discussed above are the criteria against which historical trends and

fiscal year 1974 projections were compared. We did not ascertain the appropriateness of the quality goals or accession requirements.

In addition, the services frequently limit accessions in mental category IV. We obtained the following mental category IV accession limits, which we used in projections of fiscal year 1974 enlistments.

<u>Service</u>	<u>Mental category IV limit (percent)</u>
Army	20
Navy	10
Air Force	5
Marine Corps	10

ANALYSIS OF TRENDS AND PROJECTIONS  
OF TRUE VOLUNTEERS

During the draft, accessions were classified into four groups.

1. Draftees (inductees)--those who awaited the draft call.
2. Draftee volunteers--those not subject to draft pressure who volunteered for the draft.
3. Enlistee draft-motivated volunteers--enlistees who would not have volunteered without the draft.
4. Enlistee non-draft-motivated volunteers--enlistees who would have volunteered without the draft.

The proportion of accessions in each group depended on the degree of draft pressure.

Estimating the past supply of true volunteers (those who would have enlisted without the draft) and their future supply under an AVF is critical to assessing the feasibility of an AVF. Before 1970, estimates of true volunteers were made either by surveying enlisted personnel or by analyzing enlistments. In 1970 the draft lottery provided a more reliable method for developing monthly estimates of true volunteers.

The actual number of true volunteers is still uncertain because the extent of draft motivation among volunteers with high lottery numbers, volunteers without lottery numbers, and draftee volunteers is not known. Therefore, we show two estimates of true volunteers--a maximum and minimum. (See app. II.)

For each of the four military services, we present historical trends of mental category I, II, and III true volunteer estimates and fiscal year 1974 enlistment projections.

Projections of fiscal year 1974 enlistments were made by annualizing the true volunteer rates experienced during the last 6 months through February 1973, except that for the Navy we used the 6 months through December 1972 (see p. 22)

after adjusting to eliminate effects of seasonal variations and to include a percentage of mental category IV. These projections, in effect, represent the volunteer rates which could be expected under the funding levels and programs currently existing, subject to mental category IV limitations. They consider the effects of prior major program and funding level changes, such as the November 1971 pay increase. Since similar changes of this magnitude are not indicated for fiscal year 1974, projections based on the current volunteer rates appear reasonable. However, (1) if OSD or the services use new methods to attract volunteers or if they change the limits on mental category IV accessions or (2) if funding levels are changed significantly, the actual rates of enlistments would, most likely, differ from these projections.

OSD advised that enlistments in the Navy, Marine Corps, and Air Force were demand limited during the base period used to project fiscal year 1974 enlistments. In effect, OSD is stating that these services could have obtained more enlistments than they did. If this were true, it would mean that fiscal year 1974 projections are understated. Although there is some evidence that demand limitations existed during this period, monthly service accession requirements were not substantially lower than they were the same months in the previous year. Also, using any other 6-month base period would not have resulted in significantly higher estimates. Rather, some choices of base periods would have resulted in substantially lower projections for some of the services.

Fiscal year 1974 enlistments may also be subject to service-imposed quality constraints more severe than limits on mental category IV, such as restrictions on non-high-school graduates. To ascertain what effect service quality goals previously discussed could have on fiscal year 1974 enlistments, we show, for each service, quality trends of true volunteers who were high school graduates. We also show the maximum enlistment that each service could expect if it adhered strictly to its high school graduates percentage goal and if current true volunteer levels were maintained. Mental category I, II, and IIIA trends and a maximum fiscal year 1974 projection for the Army are also presented since the Army's goal was in these terms.

Data for most of our analyses covers the period January 1970 through February 1973. It was obtained from the Research Analysis Corporation, which, under contract with the Army,

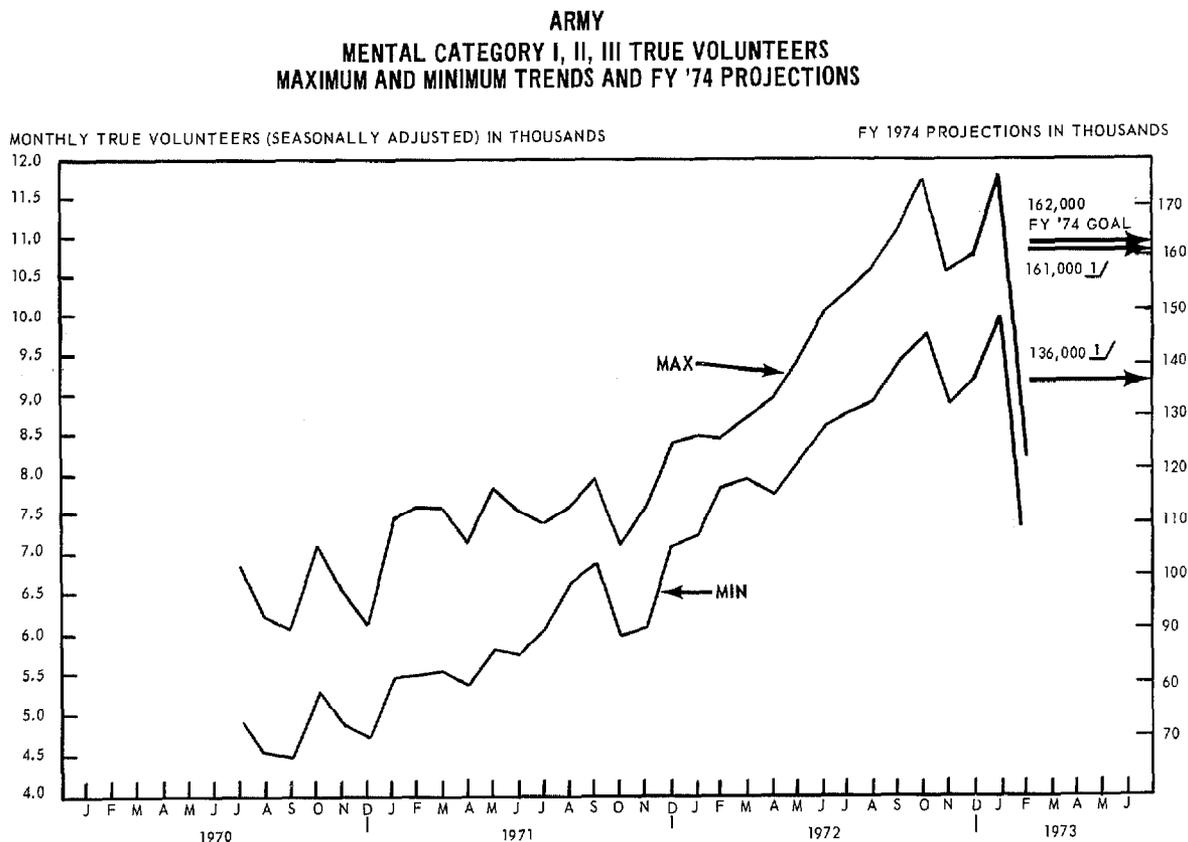
maintains up-to-date data on all non-prior-service male enlistments. This data is obtained from the U.S. Army Recruiting Command accession tapes which contain records of each individual entering the armed services. Using this data, Research Analysis Corporation developed a computer model to make various estimates of true volunteers by service and mental category. We used this data because it was current and because much of the processing needed for our analyses had already been done.

The Research Analysis Corporation developed the maximum and minimum estimates of true volunteers which we show. We did not examine the basis for the assumptions used in these estimates except to satisfy ourselves that they recognized the uncertainties in estimating true volunteers.

Army

Figure 1 shows the historical trend in mental category I, II, and III true volunteers for the Army and projections of fiscal year 1974 enlistments.

Figure 1



1/These FY '74 projections include 20% for Category IV accessions

At current true volunteer levels and allowing for 20 percent mental category IVs, between 136,000 and 161,000 Army enlistments can be expected in fiscal year 1974, compared with the requirement of 162,000. (See app. III for computation.) This potential shortfall, however, could be eliminated by increasing the percentage of mental category IVs accepted to between 21 percent and 33 percent. However, increasing mental category IV accessions would aggravate the problem of achieving Army quality goals. According to OSD the Army will be able to improve its recruiting efforts and meet its accession requirements with no more than 20 percent mental category IVs.

Even if this proves true, our analyses show that the Army's quality goals of 60 percent mental categories I, II, and IIIA and 70 percent high school graduate accessions impose more severe constraints on fiscal year 1974 enlistments than a 20-percent limit on mental category IVs.

If the Army adheres strictly to its quality goal of 60 percent of accessions in mental categories I, II, and IIIA, fiscal year 1974 enlistments will be reduced to a maximum of about 129,000. If the Army adheres to its 70 percent high school graduate goal, fiscal year 1974 enlistments will be reduced to a maximum of 104,000.

Figure 2 shows the historical trend of Army true volunteers and the percentage of these volunteers who were in mental categories I, II, and IIIA. It shows that in the last 3 years the Army seldom came close to the 60-percent goal. OSD advised us that the Army had achieved its 47 percent mental category I, II, and IIIa objective but that the Army needs to find a means of either matching the preferences of its existing supply to its internal requirements or increasing the supply of mental category I, II, and IIIa enlistees.

Figure 2

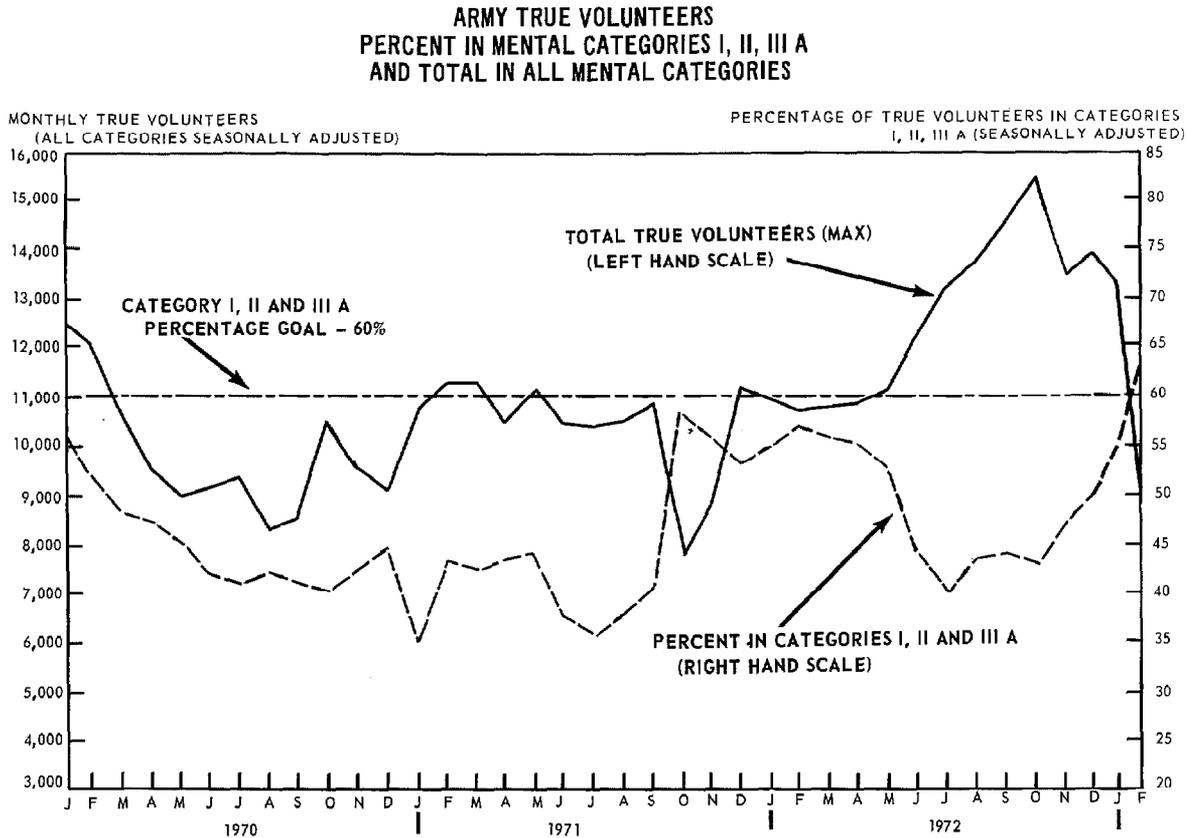
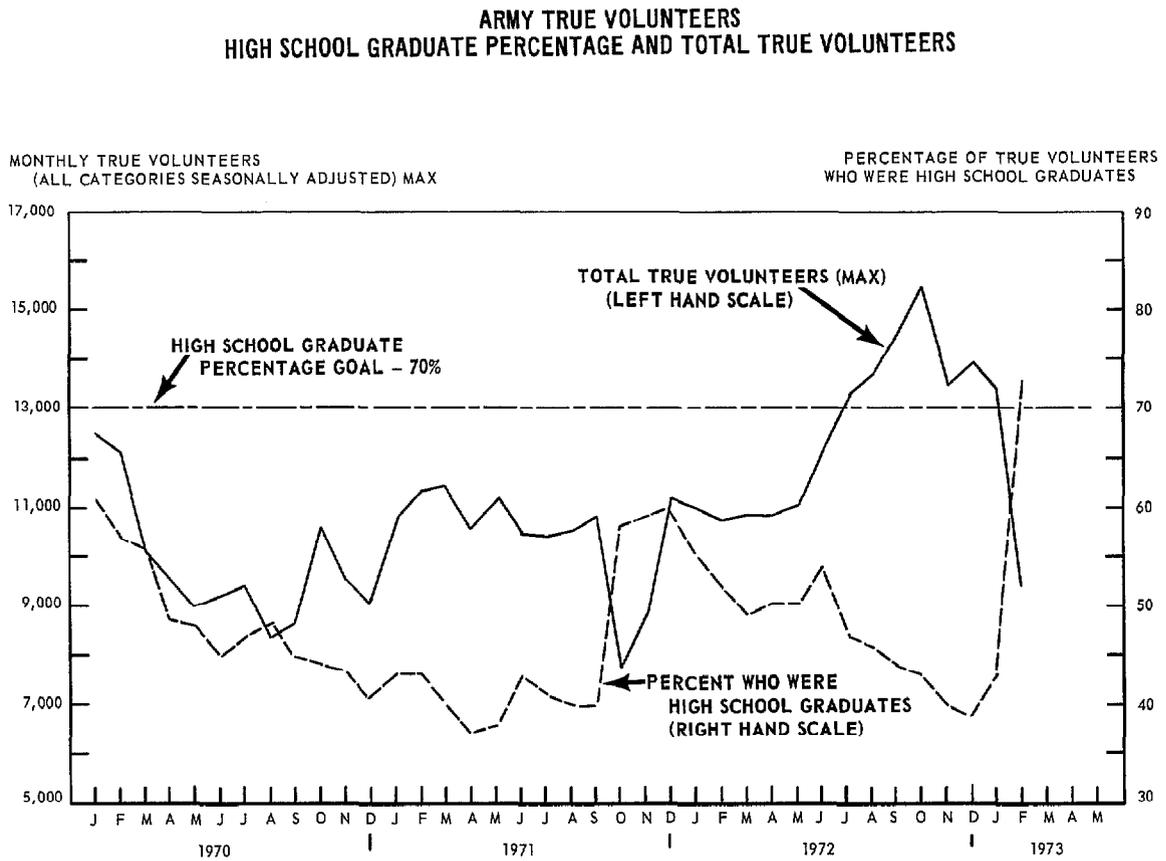


Figure 2 also indicates the effect of an October 1971 change in Army policy which restricted enlistment in mental category IV and non-high-school graduates in mental category III by denying recruiters credit for these enlistments and setting a 10-percent limit on enlistment of mental category IVs. This increased quality percentages but sharply decreased the number of total true volunteers by about 3,000 that month. A similar effect occurred in February 1973.

Figure 3 shows the trend in high school graduate true volunteers. Except in February 1973, the Army has not come close to the 70-percent goal.

Figure 3



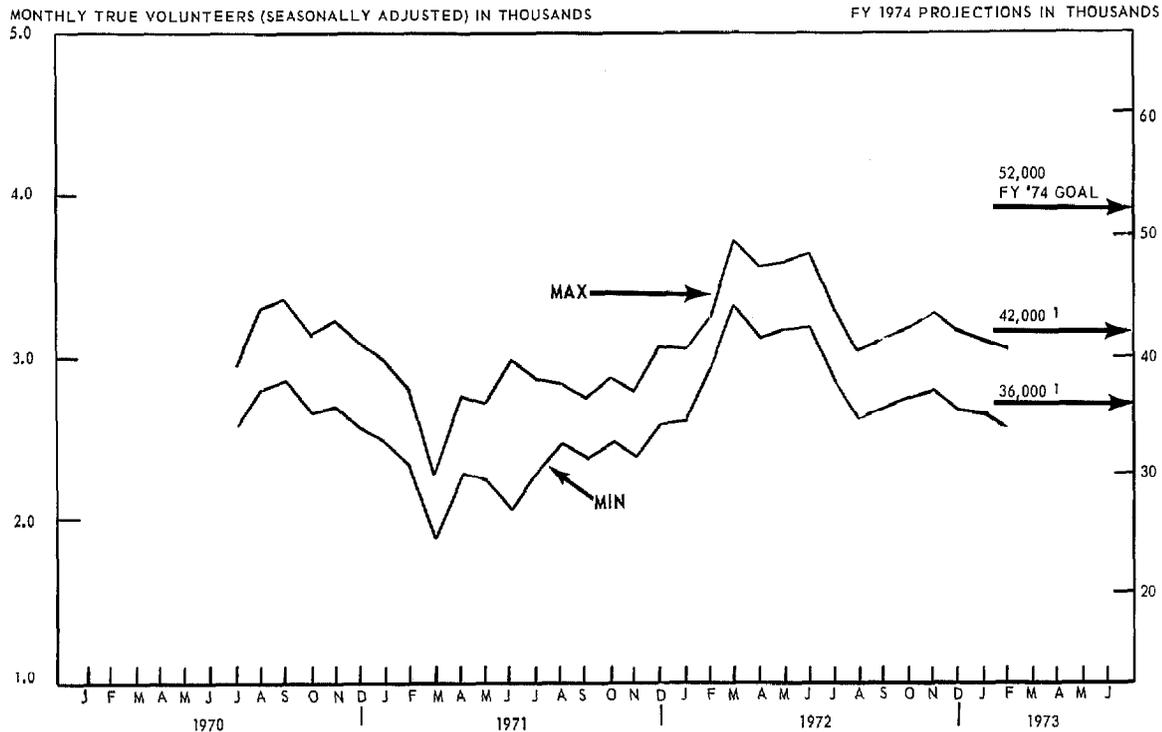
According to OSD, recruiters were not given quotas in terms of high school graduates during this period. In February 1973 Army recruiters were given an enlistment quota of 70 percent high school graduates, and for the first time in recent years, the Army achieved this goal. However, the Army fell short of its February accession requirement by more than 2,000.

### Marine Corps

Figure 4 shows the historical trend in mental category I, II, and III true volunteers for the Marine Corps and projections of fiscal year 1974 enlistments.

Figure 4

**MARINE CORPS  
MENTAL CATEGORY I, II, III TRUE VOLUNTEERS  
MINIMUM AND MAXIMUM TRENDS AND FY '74 PROJECTIONS**



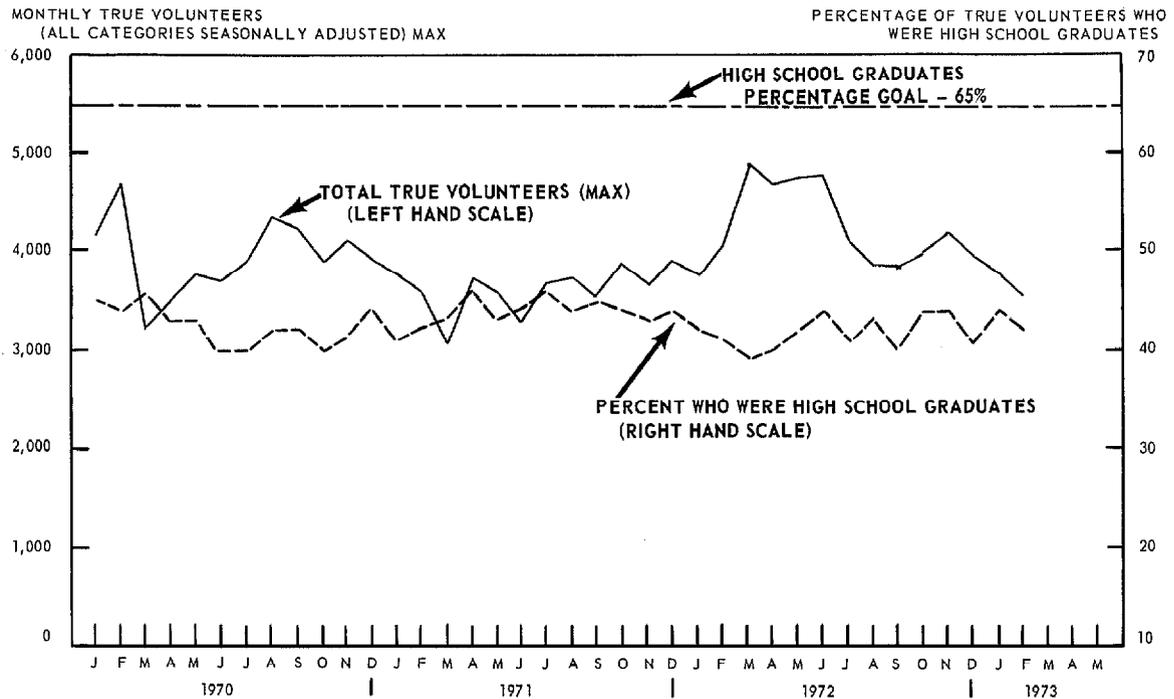
†These figures include 10% for Category IV accessions

On the basis of current true volunteer levels and allowing for 10 percent mental category IVs, between 36,000 and 42,000 enlistments can be expected in fiscal year 1974. This will result in potential shortfalls of between 10,000 and 16,000 from the requirement of 52,000. Raising the percentage of mental category IVs accepted to between 28 and 39 percent would be necessary to eliminate the shortfalls. Therefore, to meet its quantity requirement, the Marine Corps must sacrifice quality or resort to other methods of attracting volunteers in mental categories I, II, and III.

A more severe constraint on fiscal year 1974 enlistments is the Marine Corps' goal of 65 percent high school graduates. Figure 5 shows that the Marine Corps historically has not been able to attract true volunteers of this quality.

Figure 5

**MARINE CORPS TRUE VOLUNTEERS  
HIGH SCHOOL GRADUATE PERCENTAGE AND TOTAL TRUE VOLUNTEERS**



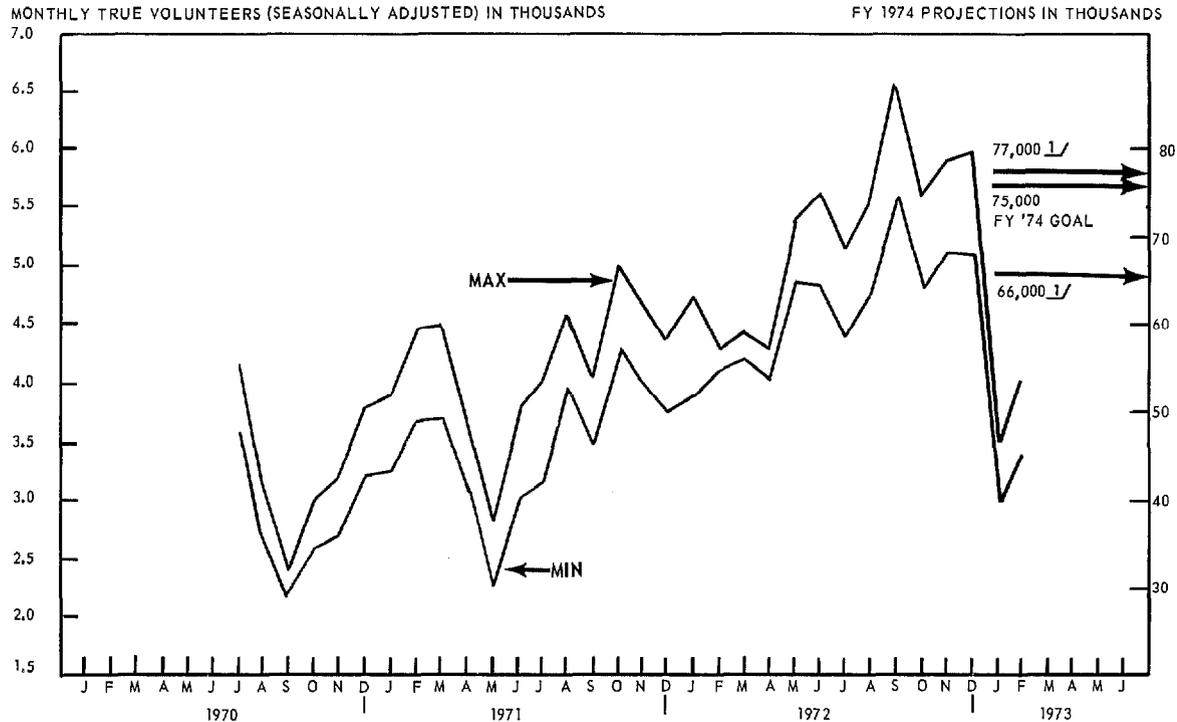
On the basis of current enlistment trends, the Marine Corps, if it adheres strictly to its fiscal year 1974 goal of 65 percent high school graduates, can expect a maximum of 32,000 enlistments in fiscal year 1974, or a shortfall of 20,000 from its stated requirement of 52,000.

Navy

The Navy may not meet its fiscal year 1974 accession requirement of 75,000 and at the same time achieve its quality goal of 80 percent high school graduates, as shown in figures 6 and 7.

Figure 6

**NAVY  
MENTAL CATEGORY I, II, III TRUE VOLUNTEERS  
MAXIMUM AND MINIMUM TRENDS AND FY '74 PROJECTIONS**



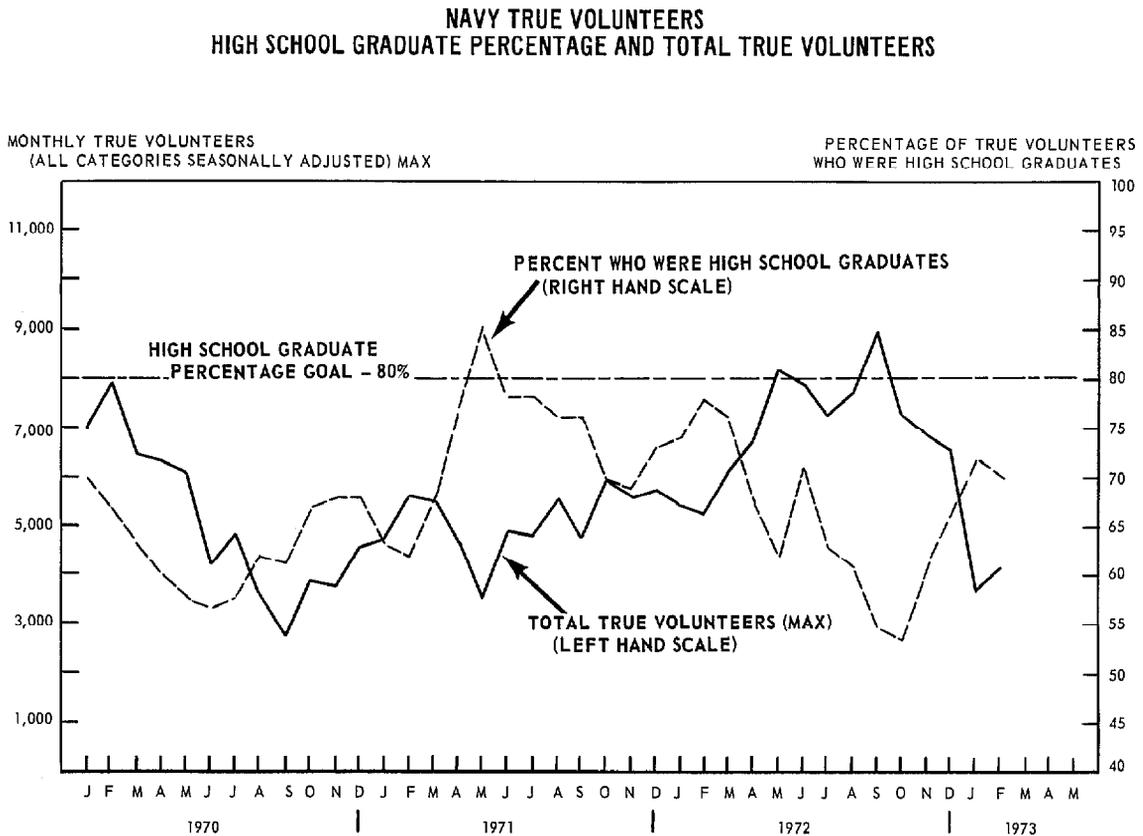
These FY '74 projections include 10% for Category IV accessions

At recent true volunteer levels and allowing for 10 percent mental category IV accessions, between 66,000 and 77,000 Navy enlistments can be expected in fiscal year 1974, compared with the Navy requirement of 75,000. An increase in mental category IV accessions to 20 percent would increase the 66,000 to 75,000 and eliminate the shortfall.

Projections of fiscal year 1974 Navy accessions are based on the trends for the 6 months ended December 1972 rather than the 6 months ended February 1973, as was the case for the other services. Navy accessions for January and February 1973 were abnormally low due to low quotas accompanied by a policy which discouraged recruitment of lower mental category IIIs (IIIB) and mental category IVs. As a result, we believed it would not be appropriate to include these abnormal months in the projections. They would have reduced expected fiscal year 1974 Navy accessions to between 60,000 and 70,000.

A more restrictive constraint on fiscal year 1974 enlistments is the Navy's quality goal of 80 percent high school graduates. Figure 7 shows that the Navy's performance in attracting high school graduates has recently been below the 80-percent goal.

Figure 7



On the basis of recent trends, the Navy, if it adheres strictly to its fiscal year 1974 goal of 80 percent high school graduates, can expect a maximum of 70,000 enlistments in fiscal year 1974, or a shortfall of 5,000.

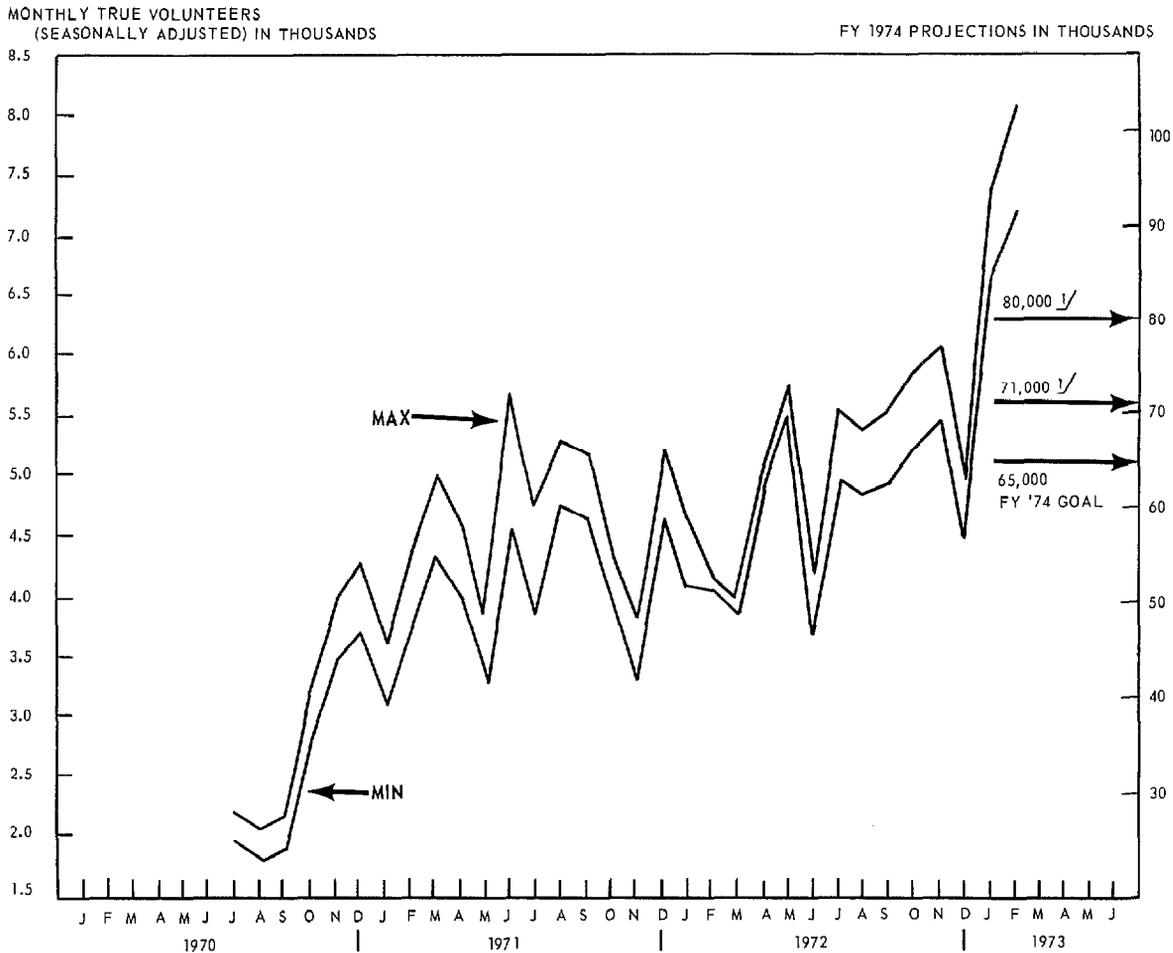
Air Force

An oversupply of volunteers for the Air Force can be expected in fiscal year 1974. (See fig. 8.)

On the basis of current true volunteer levels and allowing for 5 percent mental category IV accessions, 71,000 to 80,000 Air Force enlistments can be attained in fiscal year 1974, compared with the stated requirement of 65,000. The quantity

Figure 8

**AIR FORCE  
MENTAL CATEGORY I, II, III TRUE VOLUNTEERS  
MAXIMUM AND MINIMUM TRENDS AND FY '74 PROJECTIONS**



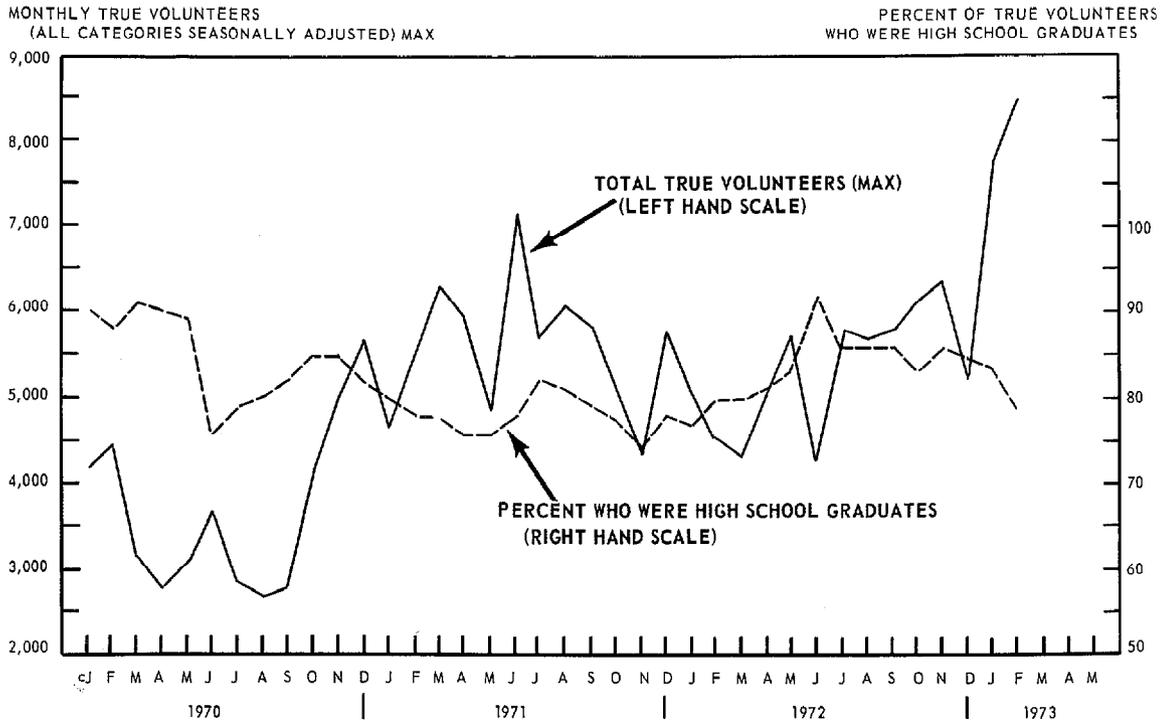
✓These FY '74 projections include 5% for Mental Category IV accessions

data shows rather erratic behavior because in any given month the Air Force is able to fill its quotas so that the trend lines are actually tracking demand rather than supply.

The Air Force quality criteria are stated in terms of meeting individual school standards rather than in terms of mental categories or high school graduate percentages. We did not measure quality trends against service school standards. However, figure 9 shows a fairly uniform high school graduate true volunteer percentage of between 75 and 85 percent, substantially higher than any other service's percentage.

Figure 9

AIR FORCE TRUE VOLUNTEERS  
HIGH SCHOOL GRADUATE PERCENTAGE AND TOTAL TRUE VOLUNTEERS



All services

We consolidated the results of our service analyses to give an overall picture for comparison. On the basis of the category IV percentages used for the services and the resulting projections, the fiscal year 1974 enlistments for all services are between 309,000 and 360,000, compared with the combined goal of 354,000. These projections are somewhat misleading, however, since they assume that excesses in the Air Force and Navy will be available to the Army and Marine Corps. Projections based on the individual services' high school graduate percentage goals show even greater fiscal year 1974 shortfalls. At most, 271,000 accessions for fiscal year 1974 can be expected under these goals, or a shortfall of at least 83,000 for the combined services. The individual service projections and the implied shortfalls and totals using both mental category IV and high school graduate goals are shown in the following chart.

	<u>Projections based on mental category IV limits</u>		<u>Projections based on high school graduate accession goals</u>
	<u>Maximum projection (shortfall)</u>	<u>Minimum projection (shortfall)</u>	<u>Maximum projection only (shortfall)</u>
Service [goal]:			
Army	161,000	136,000	104,000
[162,000]	(1,000)	(26,000)	(58,000)
Navy	77,000	66,000	70,000
[75,000]	(-)	(9,000)	(5,000)
Air Force	80,000	71,000	No stated
[65,000]	(-)	(-)	requirement
Marine Corps	42,000	36,000	32,000
[52,000]	(10,000)	(16,000)	(20,000)
Total, all services	360,000	309,000	271,000
[354,000]	<sup>a</sup> (11,000)	<sup>a</sup> (51,000)	(83,000)

<sup>a</sup>These shortfalls do not include the oversupply for the Navy and the Air Force.

## CHAPTER 3

### SPECIAL MANNING PROBLEMS

Some of the problems that occur when the services are unable to recruit and retain adequate numbers of high-quality personnel are vacant service school seats and skill-manning imbalances. This chapter discusses these problems, as well as the problems of attracting sufficient volunteers for combat arms duty and attracting and retaining sufficient physicians.

#### QUALITY OF TRUE VOLUNTEERS

A Rand Corporation study of Air Force recruits showed that those considered to be true volunteers on the average had less education and lower scores on the Armed Forces Qualification Test than draft-motivated volunteers. The Research Analysis Corporation recently found that on the average true volunteers rank substantially lower in mental quality than draft-motivated volunteers.

The services have quality standards because:

- High school graduates have historically experienced lower basic training attrition rates, fewer disciplinary problems, and lower unsuitability discharge rates.
- High school graduates have consistently performed better in their military jobs.
- Service school seats for the more difficult skills cannot be filled by low-quality recruits, and the services do not want a concentration of low-quality personnel in any one skill area.
- Personnel that just meet enlistment standards are more likely to be ineligible for reenlistment.

Projections of fiscal year 1974 accessions in chapter 2 show that the Army and the Marine Corps, and possibly the Navy, will not be able to recruit the number of qualified personnel at the quality goals desired for school assignments during fiscal year 1974. DOD says that a significant factor in this situation is the mismatch of enlistees' preferences

and service requirements. DOD believes that the channeling ability of enlistment bonuses, as proposed in the Uniformed Services Special Pay Act, would improve the match and provide more assurance that the supply of quality volunteers will meet service assignment needs.

### SERVICE SCHOOLS

When recruiting objectives are achieved, as was the case during the first 6 months of fiscal year 1973, it seems logical that sufficient recruits would be available for assignment to training schools. However, a significant number of school seats remained vacant in the Navy and the Marine Corps and had to be filled by draftees in the Army. These vacancies can be attributed to a supply shortage--either because of the preference of qualified recruits for other types of assignments or because enough men of the proper mental ability or aptitude could not be recruited.

#### Army

To meet service school, career progression, and leadership requirements, the Army desires that 60 percent of all recruits be in mental categories I, II, and IIIA. The Army states that to do this it would like to have 60 percent of all recruits in mental categories I, II, and IIIA but that, if it had a perfect match between its needs and the preferences of its enlistees and dates of entry into the service, it would need only 47 percent in these categories.

During the first 6 months of fiscal year 1973, 57,000 enlistees met the above requirement, against the goal of 60,000. However, only about 36,000 were true volunteers. These 36,000 were 46 percent of the total true volunteers.

During the same 6-month period the Army Recruiting Command enlisted for service school training about 23,000, against the requirement of 38,000. About 15,000 were estimated to be true volunteers. For example, the command had an objective of filling 555 teletype operator-school positions from October through December 1972 but filled only 13 percent.

Our analysis of data for 26 entry-level schools showed that the command had recruited 65 percent of the personnel assigned to these schools. However, only 39 percent had

enlisted for the schools. Most of the remaining school seats were filled by enlistees without school commitments and by draftees.

### Navy

The Navy's fiscal year 1972 goal was that 90 percent of all recruits be high school graduates and no more than 15 percent be mental category IVs. This goal made it difficult for the recruiters to enlist the required number of recruits. By March 1972 the Navy had fallen 15,000 recruits short of its enlistment goal of 78,300, a 19-percent deficit. From July 1971 through March 1972, the Navy recruited about 81 percent high school graduates and about 16 percent mental category IVs. To reduce the deficit, the Navy had to increase the number of non-high-school graduates and mental category IVs. As a result, enlistments increased, but the percent of high school graduates declined sharply to 57, 51, and 67 percent in April, May, and June, respectively. During the same time mental category IV percentages increased to 31, 30, and 25 percent, respectively.

New recruits normally begin formal school training 2 months after enlistment. Our analysis of the June, July, and August 1972 assignments to the 68 entry-level schools showed that they were filled an average of 63 percent.

During the first 6 months of fiscal year 1973, the Navy was able to meet its recruiting goal by enlisting more recruits than required into its 3-year program. Enlistees in this program cannot be assigned to school even if they are qualified, unless they extend their enlistment for 1 year. DOD said that the Navy does not assign 3-year enlistees to school training because of the lower ratio of training time to total service time received from 3-year enlistees. As a result, the Navy was 7,000 short of its requirement for school-eligible<sup>1</sup> 4- and 6-year enlistments. Of the 68 entry-level schools, 19 were less than 80 percent filled and 16 were between 80 percent and 90 percent filled.

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<sup>1</sup>The Navy considers all recruits scoring 49 or higher on the Armed Forces Qualification Test as eligible for school. It considers recruits scoring below 49 as eligible only if they meet other criteria.

## Marine Corps

The Marine Corps' goal is that 65 percent of all male recruits be high school graduates. During fiscal year 1972 only 50 percent of the recruits were high school graduates, and if trends continue this year, only about 49 percent will be high school graduates. Another Marine Corps goal was to recruit not more than 20 percent mental category IVs during the first half of fiscal year 1973; the corps met this goal with 18 percent mental category IVs. However, this goal was revised to 10 percent in April 1973 and is the planned goal for fiscal year 1974. To accomplish this goal and the high school graduate goal, the quality of recruits will have to be increased substantially.

Because of the poor quality of recruits, approximately 3,500 school seats were not filled in fiscal year 1972 and the problem is continuing. For example, through January 20 of fiscal year 1973, one of the Marine Corps' more difficult schools, basic electronics, had over 350 vacant seats out of the available 837. DOD said that the Marine Corps later introduced a new electronics recruiting option and that it expects to meet its objective for this option. Other schools have similar, but smaller, problems.

## SKILL IMBALANCES

At the end of fiscal year 1972, the enlisted manning level for each of the military services was near the desired level. However, the actual manning of particular skills varied considerably, and many skills were overstaffed or understaffed by more than 20 percent of requirements. The chart below illustrates the skill imbalances for each service as of June 30, 1972.

<u>Service</u>	<u>Number of skills</u>	<u>Skills less than 80 percent manned</u>		<u>Skills more than 120 percent manned</u>	
		<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Army	463	121	26	126	27
Navy	103	6	6	8	8
Marine Corps	340	125	37	62	18
Air Force	241	8	3	53	22

The above skill imbalances can be attributed to many factors. When school seats are vacant, fewer trained personnel are available for assignment to operating units. Also, the services' inability to reenlist the required number of personnel with critical skills is a factor.

## Retention

Retaining sufficient numbers of personnel in particular skills to meet overall and career manning objectives is important to achieving an AVF; however, it has always been a problem in DOD. In the past, extra monetary incentives have been used to induce reenlistments for skills in short supply.

The military services currently offer several monetary incentives to attract first-term personnel into the career force. These include a regular reenlistment bonus required by law to be paid to all first-term personnel upon reenlistment; a variable reenlistment bonus (VRB), payable to first-term reenlistees who have critical skills in short supply; and shortage specialty proficiency pay for all career personnel who have critical skills in short supply.

These incentives, although considered effective by DOD, did not produce the necessary critical skill reenlistments during fiscal year 1972 and to date in fiscal year 1973. For example, in fiscal year 1972 the Navy retained only 181 boilermen, or 8.2 percent, of the almost 2,200 first-term personnel eligible for reenlistment, compared with the goal of 589. Although personnel reenlisting in this skill were eligible to receive the maximum VRB, this skill was more than 1,400 short of the authorized career manning level of 6,447 on June 30, 1972.

Some skills have too many reenlistees, some of whom have been receiving VRB payments. For example, during the first 6 months of fiscal year 1973, the Air Force reenlisted 997 more first-term aircraft mechanics into its career force than desired for the entire year. These personnel received an estimated \$3.6 million in VRB bonuses. Skill category overages are costly because personnel are paid regular reenlistment bonuses and sometimes VRBs, even though they are not needed. This may result in undesirable grade stagnation and loss of promotion opportunities unless these personnel are retrained in another skill--a time-consuming and costly process.

The problem of matching eligible, skilled personnel with job openings while maintaining a viable organizational structure which provides adequate advancement opportunity and favorable morale was discussed during House Armed Services Committee hearings in fiscal year 1968. The Committee recommended that the military services establish a personnel system which would adequately regulate retention so that grade levels could be equitably distributed.

In 1973 the Air Force fully implemented its Total Objective Plan for Career Airmen Personnel system, which should allow for proper management of its enlisted force. The other services have not yet fully responded to the Committee's recommendation. The establishment of a system similar to the Air Force system by each military service would help to manage first-term retention and should result in a more balanced career force.

An examination of each service's reenlistment program, reenlistment results, and skill imbalances follows.

## Army

The Army reenlistment program emphasizes retaining a balanced career force (those with more than 3 years of service) and first-term personnel (those with 3 or less years of service).

To accomplish this, the Army has set reenlistment quotas for each grade above E-5 within each individual military occupational specialty. First-term reenlistment objectives, however, are merely percentages<sup>1</sup> of each command's enlisted strength. Furthermore, annual Army first-term reenlistment objectives are not related to the command objectives and are revised periodically on the basis of the Army's capability to retain personnel. As shown below, the objectives fluctuate with changes in reenlistments.

The following chart shows the combined first-term, career, and prior-service reenlistment goals and the results for fiscal years 1972 and 1973.<sup>2</sup>

<u>Fiscal year</u>	<u>Goal</u>	<u>Actual</u>
1972	70,000	52,079
1973	70,000	
	44,200	
	60,000	
	58,400	<sup>a</sup> 32,636

<sup>a</sup>As of December 31, 1972.

Although reenlistment results are compared with reenlistment objectives, such a comparison is not meaningful because of the methods used in establishing and changing the objectives. Also, the results can be misleading because the Army allowed first-term personnel to reenlist after only 8 months of service before February 1, 1973. All of these

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<sup>1</sup>The current monthly first-term reenlistment objective for each command is two-tenths of 1 percent of the previous month's end strength.

<sup>2</sup>Goals before fiscal year 1972 were overall percentages of assigned strengths.

reenlistees were counted as first-term reenlistees even though many had obligated themselves for little additional service. A minimum of 21 months of service is now required before reenlisting.

To better understand the Army's experience, we obtained data on several occupational specialties. For example, in fiscal year 1972 the first-term reenlistment rate for the armor crewman specialty was only 5.9 percent of those eligible. Although total manning in this skill was over 90 percent, career manning was 47.8 percent. Reenlistments in this skill receive the maximum VRB. The first-term reenlistment rate for power generator equipment repairman specialists was 4.7 percent, and the career force was understaffed by 64.6 percent.

In total, 238 of 463 Army skills were understaffed at the end of fiscal year 1972, and 217 skills were either fully staffed or overstaffed. Of the understaffed skills, over half were more than 20 percent below requirements. Conversely, of skills in which requirements had been met, 126 were overstaffed by more than 20 percent. Manning in 34 of these skills surpassed requirements by more than 100 percent. The level of staffing among all skills ranged from 6.5 to 1,549 percent of requirements.

### Navy

In the Navy, a few skills have historically been overstaffed with careerists to the point of advancement stagnation, while others have suffered from insufficient careerists. It became apparent that it was necessary to manage enlisted force programs closely. Therefore, the Career Reenlistment Objectives Management Program was established in 1972 to provide a system under which:

- Career imbalances would be corrected.
- Viable and attractive career patterns would be provided to all enlisted members.

The program develops first-term reenlistment objectives for each skill group. These objectives represent an attempt to gradually bring career strength (all enlisted, active-duty personnel with over 4 years of service) closer to career

requirements (enlisted positions in grades E-5 and above). The objectives are not directed toward immediate achievement of career requirements, but are based on feasible reenlistment capabilities.

First-term reenlistments under the program for fiscal years 1972 and 1973 are shown below.

<u>Fiscal year</u>	<u>Objectives</u>	<u>Actual</u>
1972	15,825	18,328
1973	21,039	<sup>a</sup> 11,938

<sup>a</sup>As of December 31, 1972.

Although the Navy has established a program and appears to be meeting its first-term reenlistment goal, career-manning imbalances among skill groups still exist. For example, the first-term reenlistment rate in the radarman specialty was only 6.5 percent during fiscal year 1972. This skill is eligible for and is currently receiving the maximum VRB. The career manning was 57.6 percent of requirements for this specialty. OSD stated that increased incentives, i.e., improved sea and shore rotation opportunity and/or larger reenlistment bonuses, apparently are required to improve the career status of this skill.

At the end of fiscal year 1972, the Navy's enlisted career force was 83 percent of authorized strength. Of 103 specialties, 57 were understaffed and 6 of these fell short of desired levels by at least 20 percent. The remaining 46 specialties had sufficient staffing, although 8 exceeded requirements by more than 20 percent.

### Marine Corps

The Marine Corps establishes annual reenlistment goals for each occupational field (group of similar skills) on the basis of the number needed to attain the ideal force structure. It develops and uses these goals to monitor progress in reenlistments. Field activities are only provided guidance on the percentage of first-term and career Marines that should be reenlisted. Marines with noncritical skills in occupational fields which are overstaffed are required to request transfers into short or deficient skills.

Even with this control, some specialties continue to be overstaffed while others are consistently understaffed. Some of the imbalances can be attributed to not reaching reenlistment goals for some occupational fields in fiscal year 1972. The following chart shows the fiscal years 1972 and 1973 reenlistment goals and results.

<u>Fiscal year</u>	<u>Goal</u>	<u>Actual</u>
1972	12,769	10,794
1973	15,616	<sup>a</sup> 8,137

<sup>a</sup>As of December 31, 1972.

Although overall reenlistment objectives are being achieved in fiscal year 1973, we found that of 40 occupational fields, 10 had achieved over 70 percent of their annual reenlistment objectives by December 31, 1972, and 8 had met less than 30 percent of their annual objectives. For example, only 17 percent of the data system field annual reenlistment goal of 533 was achieved during the first 6 months of fiscal year 1973. The telecommunications maintenance field had reenlisted only 24.4 percent of its annual requirement at December 31, 1972.

At the end of fiscal year 1972, of 340 skills, 221 were understaffed and 119 were fully staffed or overstaffed. Of the understaffed skills, over half were short at least 20 percent and 67 were short more than 40 percent. On the other hand, 52 percent of the skills which had met requirements also had surpassed requirements by more than 20 percent. Overall, staffing ranged from 2 to 800 percent of desired strength.

### Air Force

The Air Force hopes to achieve an overall ideal force structure by 1981 through its Total Objective Plan for Career Airmen Personnel. Under this plan, the career requirements for each skill are quantified by year group from 5 to 30 years of service. The overall objective for each year group is initially based on manpower position requirements at the supervisory and superintendent levels. These requirements are stratified by years of service using the historical continuation rates of each skill. Through this technique, the Air Force is able to determine how many

personnel it needs to retain at the end of their fourth year of service, which is the initial reenlistment decision point for most airmen. Those who stay beyond their fourth year are considered careerists. The program emphasizes the importance of matching the size of the 4- to 5-year objective against the actual number of personnel in the group to monitor reenlistment achievements and shortcomings.

The following table shows the reenlistment goals and actual and estimated results for fiscal years 1972, 1973, 1974, and 1975.

<u>Fiscal year</u>	<u>4- to 5-year group objective</u>	<u>4- to 5-year group actual</u>
1972	20,100	20,175
1973	20,100	<sup>a</sup> 21,064
1974	19,300	<sup>b</sup> 17,763
1975	19,300	<sup>b</sup> 21,844

<sup>a</sup>As of December 31, 1972.

<sup>b</sup>Estimated.

Although total 4- to 5-year reenlistments in fiscal year 1972 exceeded objectives by only 75 personnel, some skills accounted for a total of over 4,000 excess reenlistments and other skills had large shortages. For example, the communication center specialist skill had a 4- to 5-year objective of 639 personnel, but only 328 personnel entered their fifth year of service during fiscal year 1972. Conversely, the 4- to 5-year objective for the air traffic control operator skill was 203, but by the end of fiscal year 1972, 419 had reenlisted.

In fiscal year 1973 the Air Force expects total first-term reenlistments to reach about 25,000, compared with the objective of 20,100. Through the first 6 months, almost 4,700 personnel were reenlisted in skills for which the requirements had already been achieved. Effective January 1, 1973, the Air Force implemented a program under the Total Objective Plan for Career Airmen Personnel to influence personnel from reenlisting in skills in which the 4- to 5-year objective has been met.

Of 241 total skills in fiscal year 1972, 172 were fully staffed and 69 were understaffed. Of the fully staffed skills, 31 percent were overstaffed by at least 20 percent and 7 by 100 percent or more. Two of the 69 understaffed skills were manned below 70 percent of requirements and 6 were staffed at 70 to 80 percent of requirements. Staffing levels for all skills varied from 61 to 967 percent of requirements.

### Reenlistment bonuses

In fiscal year 1972 DOD presented a proposal to the Congress which included a request for new legislation to eliminate the regular reenlistment bonus and build the effective features of the VRB into a new bonus proposal called the Selective Reenlistment Bonus. With the Selective Reenlistment Bonus, DOD would have broad flexibility in applying selective bonuses at problem reenlistment points in understaffed and critical skills only. This proposal (1) eliminates the requirement to pay a reenlistment bonus to all reenlistees regardless of the manning level of their skill and (2) bases bonus computation on additional obligated service only.

The House of Representatives passed DOD's proposed legislation (H.R. 16924, 92d Cong.), but the Senate did not act on it before the close of the 92d Congress. DOD has resubmitted a similar proposal.

As a condition to implementing a revised reenlistment bonus system, under which larger bonuses could be paid to correct critical skill reenlistment problems, all the services should improve their existing enlisted personnel management systems to adequately regulate retention so that grade levels can be equitably distributed and thereby be responsive to the 1968 recommendation of the House Armed Services Committee. An ongoing GAO review of DOD's present reenlistment bonuses has shown:

- Most regular and variable reenlistment bonus payments are computed, in part, on service time that is already obligated. This occurs because each service allows its personnel to reenlist before completing their initial enlistment period and, as a result, the time remaining on the initial contract becomes part of the time used to compute the bonus. DOD said that the

Selective Reenlistment Bonus portion of the Uniformed Services Special Pay Act will eliminate this deficiency by computing the amount of the bonus on the basis of additional obligated service only.

- Until February 1973 the Army allowed first-term personnel to reenlist after serving as little as 8 months. Because many personnel reenlisted after 8 to 12 months (1) they became ineligible for the VRB since it is payable only on the first reenlistment after at least 21 months of service, (2) they were counted toward the Army's first-term reenlistment objective when actually they were not becoming careerists, and (3) much of their regular reenlistment bonus was based on service time they had already been committed to serve. The Army now requires at least 21 months of service before reenlistment.
- They Navy enlists certain personnel for 4 years and allows them to extend for an additional 2 years in exchange for training. However, after completing 4 years, they are paid a bonus for the last 2 years of their initial obligation and are counted as first-term reenlistments.
- During fiscal year 1972 and the first 6 months of fiscal year 1973, the Marine Corps was authorized to pay VRBs to personnel reenlisting in the infantry occupational field even though a requirement for these reenlistments did not exist.
- Responses to questionnaires by first-term personnel approaching the end of their obligations and by personnel recently reenlisted for the first time indicate that factors other than bonuses, such as fringe benefits and job security, were the most frequently mentioned reasons for reenlisting; family separation, poor leadership, lack of personal freedom, and unchallenging work were the most frequently mentioned reasons for not reenlisting.
- Many Army and Marine Corps personnel who had received VRBs for reenlisting in critical skills were no longer assigned to those skills. Marine Corps and Army

regulations permit such transfers and allow personnel to continue to receive bonus payments even if they are not serving in the skills for which the VRBs were awarded.

## COMBAT ARMS

Public Law 92-129 authorized an enlistment bonus of up to \$3,000 to attract volunteers into the combat arms skills for a minimum 3-year enlistment. The authority to pay such bonuses expires on June 30, 1973.

On a test basis the Army and Marine Corps began paying a bonus of \$1,500 for 4-year enlistments on June 1, 1972. The following table shows the number of Army personnel who enlisted for combat arms duty during the first 9 months of the program, the number who received the bonus, and the number who enlisted during the same 9 months of the previous year when the bonus was not in effect.

<u>Month</u>	<u>Combat arms enlistees</u>		<u>1972 bonus recipients</u>	<u>Increase or decrease (-) in enlistments (1972 over 1971)</u>
	<u>1971</u>	<u>1972</u>		
June	4,216	5,431	2,706	1,215
July	3,687	4,196	2,463	509
August	3,634	4,141	2,553	507
September	3,883	3,977	2,478	94
October	1,911	3,330	2,283	1,419
November	2,333	2,862	1,955	529
December	3,009	2,894	2,087	-115
	<u>1972</u>	<u>1973</u>	<u>1973</u>	<u>1973</u>
January	3,598	3,708	2,685	110
February	<u>3,153</u>	<u>2,065</u>	<u>1,497</u>	<u>-1,088</u>
Total	<u>29,424</u>	<u>32,604</u>	<u>20,707</u>	<u>3,180</u>

Note: A similar comparison was not made for the Marine Corps because comparable data was not available.

DOD said that direct comparisons between 1971 and 1972 do not take all considerations into account. For example, in 1971 combat arms enlistees were given a wide choice of unit and geographic assignments that were not available to other enlistees. DOD also said that, in 1972 when the bonus was initiated, these attractive options were also opened to other enlistees to improve service school enlistments. The

bonus thus served to balance the priorities between combat arms and service school enlistments.

During the first 9 months of the bonus, the Army obtained 3,180 more combat arms enlistments than for the same period a year earlier. The Army also obtained a commitment for an additional year of service from 20,707 bonus enlistees. These enlistees received approximately \$31 million in bonuses. DOD estimated that continuing the bonus program at current levels will reduce the annual accession requirement by at least 5,700 from fiscal year 1975 forward and that by 1979 the annual reduction could be as high as 9,400. DOD estimated that after 1978 about \$18 million will be saved by avoiding training costs through the reduction in accessions from the extra year of service obtained through bonus enlistments.

In evaluating the effect of the bonus, the quality of combat arms enlistees should also be considered. The following chart shows the quality measured by the high school graduate rate and the mental category distribution. The quality is less than that of the overall Army and the high school graduate rate is significantly below the desired levels.

<u>Month</u>	<u>Number</u>	<u>Percent of total</u>				<u>High school graduate</u>
		<u>Mental categories</u>				
		<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	
June 1972	2,706	2.0	25.0	61.0	12.0	53.1
July 1972	2,463-	2.7	24.1	55.6	17.6	44.7
August 1972	2,553	2.0	22.8	55.8	19.4	39.3
September 1972	2,478	1.5	20.8	55.5	22.2	34.6
October 1972	2,283	1.6	21.3	55.5	21.6	32.2
November 1972	1,955	1.6	21.2	57.0	20.2	26.3
December 1972	2,087	1.8	20.4	59.7	18.1	26.1
January 1973	2,685	1.3	23.8	61.9	13.0	27.3
February 1973	1,497	2.2	24.4	63.8	9.6	55.3

Note: The quality of combat arms enlistees who did not receive the bonus was about the same as shown above.

OSD stated that Army studies show that qualitative requirements in ground combat arms are not as high as for the Army as a whole and that the present mental "mix" of entry personnel contains a lower proportion of mental category IV (below average) than has been obtained historically. Both the Army and OSD desire to increase the high school graduate proportions.

An OSD evaluation of the combat arms bonus indicated that it had been successful in both the Army and the Marine Corps. OSD estimated that the Army could meet its requirements for 36,000 combat arms enlistees with the bonus during fiscal year 1974 but could enlist only 29,000 if bonus authority is allowed to expire.

## PHYSICIAN SHORTAGE

Of the physicians in the military medical corps, about one-sixth serve voluntarily, about one-sixth serve because of obligations incurred through medical training subsidized or provided by the services, and the remaining two-thirds serve because of the doctor draft. Since most of the latter group serve for 2 years, approximately one-third of the physician force turns over each year.

At the end of calendar year 1972, only 16 percent of the physicians who entered military service in fiscal year 1970 were still in the service. Most physicians leaving the military service during this time were 2-year obligees. Less than 1 percent of 2-year, draft-obligated physicians remain past their initial terms of enlistment.

Few physicians have actually been drafted. Most join the military service under special programs while in medical training to avoid being drafted. Under these programs the participants are commissioned as reserve officers in the service of their choice but are deferred from active-duty obligation until they complete medical school, internship, residency, or other medical training.

The Berry Plan, a program providing the largest number of military physicians, permits full deferment from active duty until specialty training has been completed in exchange for a 2-year service obligation. DOD estimates that Berry Plan participants will constitute about 70 percent of the fiscal year 1974 physician accession requirement. The number of Berry Plan physicians obligated to serve in the military as reserve officers and the year they can be expected to enter are shown below.

Fiscal year	Berry Plan physicians remaining			
	Army	Navy	Air Force	Total
1974	946	665	657	2,268
1975	815	554	585	1,954
1976	639	350	375	1,364
1977	429	193	199	821
1978	55	38	31	124
1979	23	52	10	85
1980	-	1	-	1
Total	<u>2,907</u>	<u>1,853</u>	<u>1,857</u>	<u>6,617</u>

As shown by the chart, the number of physicians participating in the Berry Plan will decline sharply without a draft. The number of students from other programs, including the early commissioning, senior medical student, and intern programs, is also expected to decline. DOD anticipates, however, that (1) a scholarship program which was established in September 1972 and (2) their proposed special pay and enlistment bonuses for health care professionals will help alleviate the physician shortage problems. DOD's projected number of physicians from all sources for fiscal years 1973-75 follows.

	<u>1973</u>	<u>1974</u>	<u>1975</u>
Berry Plan physicians	2,995	2,268	1,954
Intern	476	<sup>a</sup> 476	<sup>a</sup> 316
Early commissioning	205	185	0
Volunteer	147	<sup>a</sup> 46	<sup>a</sup> 40
Senior medical student	140	<sup>b</sup> 145	<sup>b</sup> 215
Reserve Officer Training Corps	<u>35</u>	<u>35</u>	<u>35</u>
Total	<u>3,998</u>	<u>3,155</u>	<u>2,560</u>

<sup>a</sup> Projected on the basis of a proposed \$17,000 bonus and current intern slots at teaching facilities; intern positions may drop without a draft.

<sup>b</sup> Includes scholarship recipients under Public Law 92-426.

The legality of requiring Berry Plan participants to enter active duty after July 1, 1973, has been of concern to DOD. On February 27, 1973, DOD decided that sufficient authority existed to order reserve officers commissioned under the Berry Plan to enter active duty.

The following chart shows the expected physician shortage using OSD data as of February 1973 without showing the use of the anticipated special pay bonus for fiscal years 1974 and 1975.

	<u>1974</u>	<u>1975</u>
Estimated strength	<sup>a</sup> 13,518	<sup>b</sup> 11,180
Plus projected gain	3,155	2,560
Less expected loss	<u>5,493</u>	<u>3,595</u>
Estimated strength	<sup>b</sup> 11,180	<sup>c</sup> 10,145
Desired strength	<sup>b</sup> <u>11,800</u>	<sup>c</sup> <u>11,300</u>
Shortage:		
With Berry Plan	620	1,155
Without Berry Plan	2,888	5,377

<sup>a</sup>June 30, 1973.

<sup>b</sup>June 30, 1974.

<sup>c</sup>June 30, 1975.

OSD subsequently advised us in April 1973 that it expects no physician shortage with the use of Berry Plan physicians in fiscal year 1974, if the special pay incentive is approved at an early date.

Alternatives for reducing the medical professional shortage

The Secretary of Defense and the Secretary of Health, Education, and Welfare, in an October 1972 report to the President and the Congress, stated that force levels for health personnel (including physicians) could be reduced without impairing military effectiveness by:

- Transferring military medical services for dependents to civilian facilities or physicians.
- Replacing military health professionals with civilian personnel employed under the civil service system.
- Increasing the efficiency of the military health care system by (1) regionalizing the U.S. peacetime health services support system on a triservice basis, (2) replacing outmoded health facilities through an accelerated construction program, (3) altering other health facilities to provide more treatment rooms for physicians and dentists, and (4) increasing paramedical and clerical support personnel to assist dentists and physicians.
- Discontinuing programs through which military health professionals are regularly loaned to agencies outside DOD.
- Conserving veterinary officer resources by using highly trained technicians in certain food and sanitary inspection functions.
- Partially staffing military health facilities with civilian health professionals on a contractual basis.

GAO also reported to the Congress and DOD on the need for better use of DOD medical personnel and facilities. In December 1971 GAO reported to the Congress that:

- Many physicians, dentists, and nurses filled staff and administrative positions in the Offices of the Surgeon General and in intermediate commands of the services. In some positions the officers' medical abilities were used only part time.
- Fewer medical professionals would be needed for staff, administrative, and management positions if these positions were centralized under the Assistant Secretary of Defense (Health and Environment). The medical professionals could be used as consultants to make medical decisions.
- Medical professionals assigned to treatment facilities could give more time to patient care if command,

administrative, and nonprofessional duties were assigned to qualified nonprofessional personnel.

- Imbalances existed in the number of medical professionals authorized and assigned in each service and in certain medical specialties. Medical manpower could be better distributed by apportioning medical specialists according to regional needs.
- Medical manpower requirements for the services were not uniformly established.
- Although the services cited low retention of medical personnel as a serious problem, they had not set goals for how many and what types of experienced medical professionals should be retained.
- The services independently studied health care problems and in most cases did not attempt to coordinate their efforts.

These situations exist today. About 858 physicians held DOD staff positions in February 1973.

In March 1973 GAO reported to the Secretary of Defense that lengths of hospitalization in military hospitals could be reduced through improved administrative and medical practices. Policies and procedures governing the admission and discharge of patients were not uniform among the services, and, as a result, it appeared that active-duty personnel were being kept in hospitals longer than required.

The Secretary of Defense and the Secretaries of the military departments are authorized to resolve many of these problems. Other actions, however, will require legislation and the approval of the Congress. The Congress already enacted Public Law 92-426, dated September 21, 1972, which established the Uniform Services University of the Health Sciences and which authorized \$15,000,000 for planning, developing, constructing, operating, maintaining, and improving the university beginning in fiscal year 1973. However, only \$1,900,000 was appropriated for planning and design in fiscal year 1973.

As of March 1, 1973, funds had not been spent for planning or designing the university, but OSD had done some preliminary work. A university board of directors, which would require Senate approval, has been proposed to the President and is currently awaiting his approval before submission to the Senate. In addition, an ad hoc committee on site selection has been appointed within OSD. The committee has received recommendations, but decisions are pending the appointment of the board of directors. The law requires the university to graduate a minimum of 100 students a year by 1982.

Public Law 92-426 also established the Armed Forces Health Professional Scholarship program, whereby the military services are authorized a total of 5,000 scholarships at any one time to be distributed by the Secretary of Defense. About 900 health professionals a year, starting in fiscal year 1978 or 1979, are expected to enter the military services through this program.

## CHAPTER 4

### ALTERNATIVES FOR MEETING MILITARY REQUIREMENTS

Alternatives to using male volunteers to fill military requirements are increasing the use of military women and converting military positions to civilian positions. In addition, lateral entry programs designed to recruit male or female military personnel with civilian-acquired skills could assist in alleviating the problem of skill imbalances.

It is generally recognized that more needs to be done to insure that these additional labor sources are used as much as is economically possible. As of December 1972 there were 2 servicewomen and 47 civilians for each 100 servicemen. Early action by the services to expand the use of this labor pool could help to eliminate or minimize expected shortfalls in male enlistments and in certain skills.

#### WOMEN

Increased enlistment of servicewomen offers a way to substitute the recruitment of mental category I to III female personnel for the recruitment of male military personnel.

In December 1972 DOD issued a report on the increased use of military women. The study focused on fiscal years 1973 to 1977, when the supply of male volunteers may not be adequate or the use of military women may prove cost effective. The report summarized the services' plans for increasing the use of military women as follows:

<u>Service</u>	<u>Number of female officers and enlistees (note a)</u>	
	<u>Fiscal year 1972 actual</u>	<u>Fiscal year 1977 plan</u>
Army	12,886	25,130
Navy	6,724	20,921
Air Force	12,766	38,007
Marine Corps	<u>2,329</u>	<u>2,800</u>
Total	<u>34,705</u>	<u>86,858</u>

<sup>a</sup>This and the following two tables exclude women officers in the medical professions (nurses, dieticians, etc.).

To increase the use of military women, annual accessions would have to increase from 14,616 in fiscal year 1972 to 36,700 in fiscal year 1977--an increase of 151 percent. The following table shows the change by year, based on the services' plans.

<u>Fiscal year</u>	<u>Female officers</u>	<u>Female enlisted</u>	<u>Total</u>	<u>Percent increase from 1972</u>
1972	672	13,944	14,616	-
1973	931	21,667	22,598	55
1974	1,050	29,210	30,260	107
1975	1,135	31,210	32,345	121
1976	1,326	33,210	34,536	136
1977	1,490	35,210	36,700	151

The Navy and the Air Force plan the increases in military women, as follows:

<u>Service</u>	<u>Fiscal year 1972 actual</u>	<u>Fiscal year 1977 plan</u>	<u>Percent increase</u>
Army	6,234	12,400	99
Navy	2,580	8,300	222
Air Force	4,528	14,740	226
Marine Corps	<u>1,274</u>	<u>1,260</u>	-
Total	<u>14,616</u>	<u>36,700</u>	<u>151</u>

In fiscal year 1972 women (including nurses) represented 1.9 percent of military strength. If the services' goals are met, women will represent 4.2 percent of military strength by the end of fiscal year 1977.

A recent research study estimated that, of about 1.1 million women who enter the labor force each year, about 770,000 could pass the physical examinations. Of these, about 580,000 are mental category III or better and about 433,000 are high school graduates. From this potential supply, the services plan to recruit less than 23,000 in fiscal year 1973 and an estimated 36,700 in fiscal year 1977.

## CIVILIANS

As of December 31, 1972, about 1.08 million civilians worked for DOD, or about 32 percent of the total DOD manpower, as follows: .

<u>Service</u>	<u>Number of civilians</u>
Army	398,984
Navy and Marine Corps	339,821
Air Force	274,172
Other Defense agencies	<u>68,725</u>
Total	<u>1,081,702</u>

In October 1972 a DOD task force issued a report on substituting civilians for military personnel in the Armed Forces. The task force was directed to study, for each service, the positions for which civilians, under direct hire on contract, could be substituted for male military personnel in the last half of fiscal year 1973 and in fiscal year 1974. The task force concluded that:

1. Theoretically, 102,862 enlisted support positions in the continental United States could be converted to civilian positions in fiscal year 1974.
2. The average yearly economic cost savings for each civilian substitution would approximate \$3,000.<sup>1</sup>
3. The 2 plans the services submitted, based on a total DOD conversion of 35,000 (low plan) and 70,000 (high plan), were realistic.

In December 1972 the Deputy Secretary of Defense told the services to convert military positions to civilian positions in accordance with the low plan (conversion of 10,000 positions each in the Army, Navy, and Air Force). Although the low plan for the Marine Corps provided for

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<sup>1</sup>DOD said that the estimated budget costs avoided in fiscal year 1974 would be \$1,300 for each military position eliminated.

converting 5,000 positions, the Deputy Secretary told the Marine Corps to convert at least 1,000 positions because of the Marine Corps' smaller support structure.

The Deputy Secretary told the services that the conversion of 31,000 military positions by the end of fiscal year 1974 was a minimum objective. He told them to reduce the number of personnel in the pipeline (transients and trainees) and the overhead associated with supporting military personnel and their dependents.

The total decrease in military strength expected to result from the civilianization program by fiscal year 1974 is summarized below.

<u>Service</u>	<u>Fiscal year 1973</u>			<u>Fiscal year 1974</u>		
	<u>Military</u>	<u>Support</u>	<u>Total</u>	<u>Military</u>	<u>Support</u>	<u>Total</u>
Army	1,000	128	1,128	10,000	1,700	11,700
Navy	1,000	-	1,000	10,000	1,900	11,900
Air Force	2,323	1,318	3,641	10,000	2,887	12,887
Marine Corps	<u>243</u>	<u>-</u>	<u>243</u>	<u>1,000</u>	<u>135</u>	<u>1,135</u>
<b>Total</b>	<b><u>4,566</u></b>	<b><u>1,446</u></b>	<b><u>6,012</u></b>	<b><u>31,000</u></b>	<b><u>6,622</u></b>	<b><u>37,622</u></b>

The Deputy Secretary of Defense stressed the importance of carefully tracking the accomplishments of the current civilianization program by determining (1) the number and types of positions civilianized, (2) the actual cost savings, (3) the impact on productivity, and (4) any adverse effect on rotations, promotions, or other significant personnel policies. He also asked for better estimates of the maximum potential for civilianization. DOD officials told us that formal guidelines for the tracking system should be available to the military services in April 1973.

The budget process treats military and civilian personnel of the military departments as separate elements. Civilian pay is under the operations and maintenance appropriation in each service budget, while military pay comes from its own appropriation account. The Congress also treats the personnel separately. It establishes authorized strength for military personnel by service and, under a separate act, limits the civilian payroll, employment numbers, and average grade level.

## Contractors

The Government's policy for using contractor services is to rely on contractors unless

- procurement from a contractor would disrupt or delay a program;
- Government services are necessary for combat support, military personnel retraining, or mobilization readiness;
- contractor services or products are not available and could not be developed in the required time;
- the products or services are available from another Government agency; or
- procurement from a contractor would be substantially more costly to the Government.

Contractors have been used in war zones. For example, the joint venture of RMK-BRJ, which included Raymond International of Delaware, Inc.; Morrison-Knudsen Company of Asia, Inc.; Brown and Root, Inc.; and J. A. Jones Construction Company, constructed troop facilities, airfields, port facilities, and other military facilities in South Vietnam. Other contractors provided various other services.

OSD stated that it could reduce military accession requirements by using contractors and direct-hire civilians in jobs which do not require military personnel.

## LATERAL ENTRY

DOD requirements for high quality military personnel can also be met by lateral entry programs for recruits who have acquired advanced skills in civilian life which can be used without a great amount of further training.

The services' lateral entry programs have been very limited. DOD advised that the Air Force is considering establishment of a lateral entry program on a "pilot test" basis. The Marine Corps has generally not used lateral entry programs. The Army has used lateral entry to obtain

personnel in medical and engineering skills and is considering expanding the number of military specialties for lateral entry from 40 to 200.

The Navy's lateral entry programs are the Regular Navy Direct Procurement Petty Officer Program and the Vocational School Graduate Enlistment Program. The direct procurement program was established in December 1972 as a 4-year enlistment program for men and women with civilian-acquired education and work experience equivalent to that of pay grades E-4 through E-7 in critical skills that are 89 percent or less career manned.

The Navy set a ceiling of between 50 and 200 enlistments a year for each skill identified on its critical skills list which included 59 skills on January 29, 1973. On the basis of this list the maximum number of lateral entrants the Navy could recruit would be 7,100 annually. However, the Navy set a total goal of only 50 enlistments for March 1973. As of March 16, 1973, only 15 men had enlisted.

The Navy's vocational school program is a 4-year enlistment program for men and women with civilian-acquired education in specific skills equivalent to that of pay grades E-1, E-2, and E-3. The Navy set an annual ceiling of 360 enlistments per skill in all skills that are less than 75 percent career manned and 120 enlistments per skill in all skills that are between 75 and 89 percent career manned. On the basis of this limitation, the maximum number of lateral entrants the Navy could recruit annually would be 12,600.

## CHAPTER 5

### ABILITY OF RESERVE COMPONENTS

#### TO SUPPORT ACTIVE FORCES

On February 15, 1972, the Secretary of Defense told the Congress that, under the President's policy, the Reserve and Guard would be the initial and primary sources for increasing the Active Forces in any future emergency. On January 20, 1973, the Secretary told the Congress that unit structures and mission assignments were being revised to make them more compatible with mobilization needs and that priority missions were being transferred from the Active Forces to the Guard and Reserve where the ability to perform such missions has been demonstrated. He cited as examples the movement of a large portion of the Army's aviation force into the Guard and Reserve and the increasing role of the Air National Guard in air defense.

In spite of the increased emphasis on Reserve components, DOD is predicting that their manning levels will decline to about 874,000. This would be about 97,000 below the effective mobilization manning objective level for the end of fiscal year 1974, as shown below, and about 37,000 below the fiscal year 1974 average strength contained in the President's Budget.

<u>Reserve component</u>	<u>Mobilization manning objective</u>	<u>Estimated end strength</u>	<u>Shortfall (-) or overage</u>	<u>Percent</u>
Fiscal year 1973:				
Army:				
Guard	402,333	377,550	-24,783	- 6.2
Reserve	261,300	226,630	-34,670	-13.3
Navy	129,000	126,638	- 2,362	- .2
Air Force:				
Guard	87,614	91,766	4,152	4.7
Reserve	51,296	49,428	- 1,868	- 3.6
Marine Corps	<u>45,016</u>	<u>41,584</u>	- 3,432	- 7.6
Total	<u>976,559</u>	<u>913,596</u>	<u>-62,963</u>	<u>- 6.4</u>
Fiscal year 1974:				
Army:				
Guard	411,979	365,415	-46,564	-11.3
Reserve	260,554	231,732	-28,822	-11.1
Navy	116,981	107,631	- 9,350	- 8.0
Air Force:				
Guard	92,291	82,927	- 9,364	-10.1
Reserve	49,773	49,182	- 591	- 1.2
Marine Corps	<u>39,488</u>	<u>37,648</u>	- 1,840	- 4.7
Total	<u>971,066</u>	<u>874,535</u>	<u>96,531</u>	<u>- 9.9</u>

Note: All figures include officers and enlisted personnel.

The prime reason for the shortfall is the removal of draft pressures. During the periods of high draft calls, OSD estimated that 75 to 85 percent of the Guard and Reserve accessions were draft induced rather than true volunteers. An OSD study estimated that to meet the authorized Guard and Reserve force level of 976,559, the accession requirement for fiscal year 1973 would be about 244,000. (OSD has also estimated accession goals of 207,692; 213,000; and 219,000 which presumably are based on lower than the authorized force level.)

### SERVICE REQUIREMENTS

The DOD budgeted strength for fiscal year 1974 is 910,515. OSD advised us that the mobilization manning objective for fiscal year 1974 is 971,066 and that DOD will try to achieve this strength in about 2 years.

At our request, the services furnished the following estimated accession requirements for enlisted personnel for fiscal year 1974 based on the budget strength of 910,515.

<u>Service component</u>	<u>Nonprior service</u>	<u>Prior service</u>	<u>Total</u>
Army:			
Guard	56,481	24,467	80,948
Reserve	31,000	10,870	41,870
Navy	6,300	17,000	23,300
Air Force:			
Guard	10,000	5,941	15,941
Reserve	4,012	9,376	13,388
Marine Corps	<u>3,900</u>	<u>3,000</u>	<u>6,900</u>
Total	<u>111,693</u>	<u>70,654</u>	<u>182,347</u>

Each of the services has established mental standards for accepting enlistments. The minimum entrance standards are expressed in terms of the percentile score that an enlistee obtains on the Armed Forces Qualification Test. In all services except the Navy and Air Force, an enlistee whose percentile score falls below 31 must achieve an acceptable score on a supplementary aptitude test. The Navy and Air Force automatically disqualify non-high-school graduates whose scores are below 31 and high school graduates

whose scores are below 21. The Air Force requires a supplemental aptitude test only for non-high-school graduates whose scores are above 31.

#### TRENDS AND PROJECTIONS FOR FISCAL YEAR 1974

Current accession experience indicates that the fiscal year 1974 total accession requirement will not be met. OSD analysis of true volunteer data for the year October 1971 through September 1972 showed that the number of non-prior-service true volunteers was about 21,000. Therefore, it seems unlikely that the services can meet their quantity requirement goal of 112,000 non-prior-service personnel for fiscal year 1974.

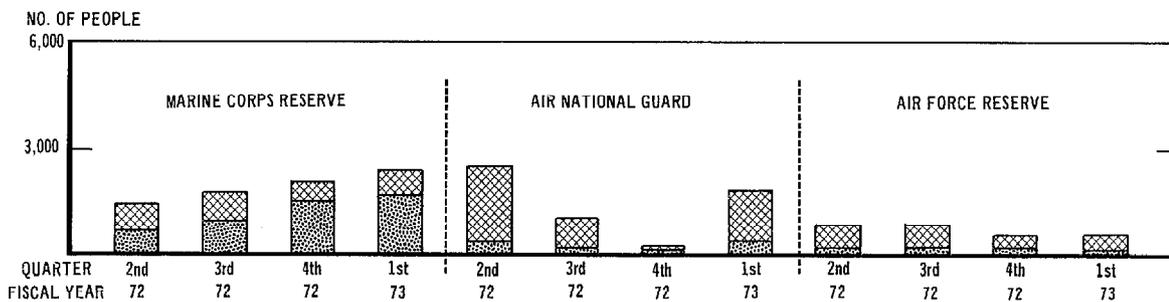
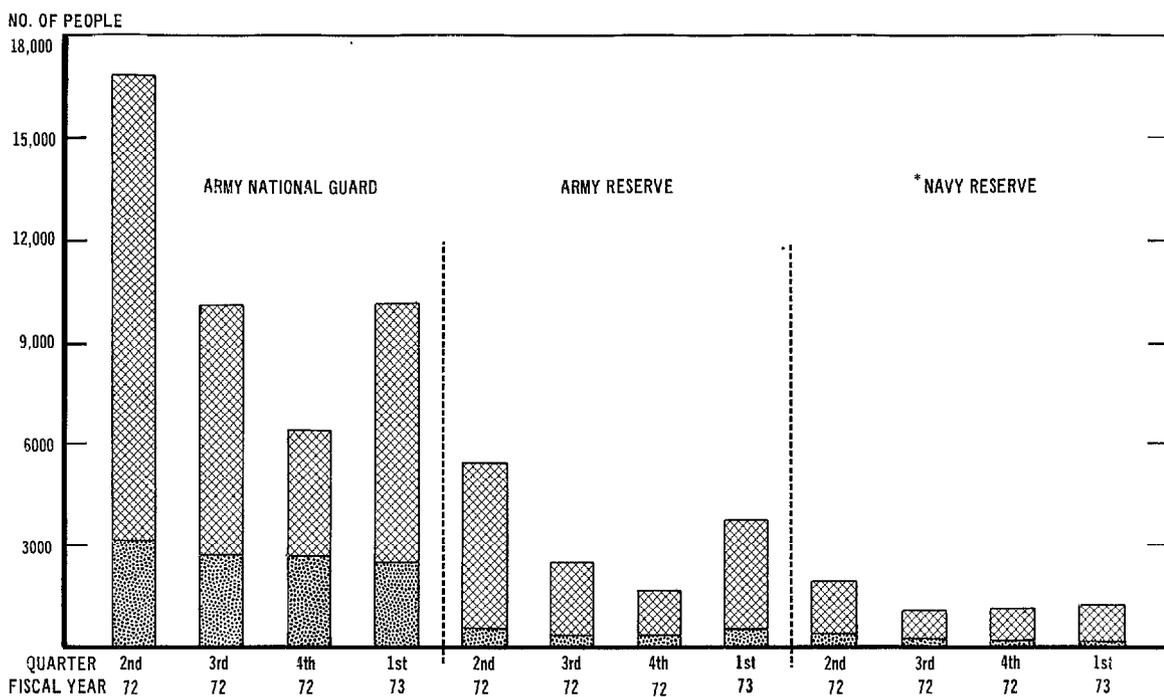
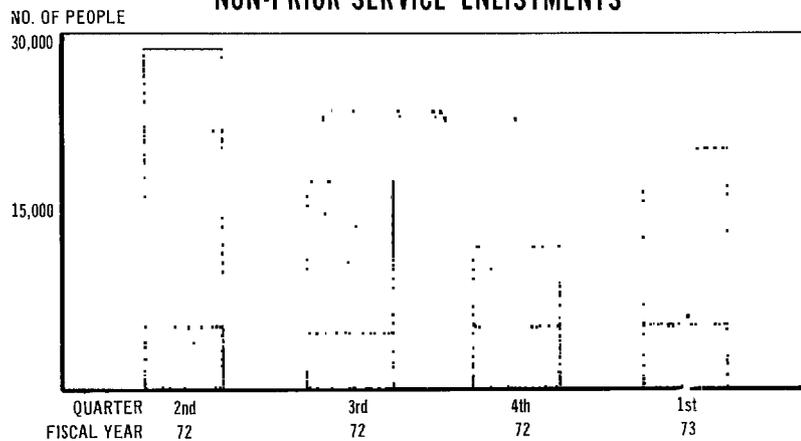
The following table shows the number of non-prior-service true volunteers and draft-induced volunteers for each service for the second, third, and fourth quarters of fiscal year 1972 and the first quarter of fiscal year 1973.

The services have estimated the total enlistment objectives for fiscal year 1973, including draft-induced enlistments, to be about 219,000. The services want about 119,000 non-prior-service enlistments and about 100,000 prior-service enlistments. As of November 1972 the services had enlisted about 95,000 personnel, or about 43 percent of their objectives. Of the 95,000, about 41,000 were non-prior-service enlistees (about 34 percent of the non-prior-service objective) and 54,000 were prior-service personnel (about 54 percent of the prior-service objective).

These enlistments show that non-prior-service accessions are falling short of what is desired and that prior-service accessions are in excess.

Guard and Reserve enlistments for fiscal year 1972, including draft-motivated enlistments, totaled about 190,000, compared with the accession requirement of 245,647. The services enlisted about 51 percent of the non-prior-service requirement and about 161 percent of their prior-service requirement. OSD stated that approximately 27,000 reenlisted because of the Army's "early out" inducements during the last half of fiscal year 1972. An OSD task force study stated that about 28,000 of the non-prior-service enlistees during fiscal year 1972 were true volunteers.

## NON-PRIOR SERVICE ENLISTMENTS



OVERALL TOTAL } TRUE VOLUNTEERS (20,742 TOTAL—FOUR QUARTERS)

\* Does not include the Navy's program of 2 years active duty and 4 years active reserve duty

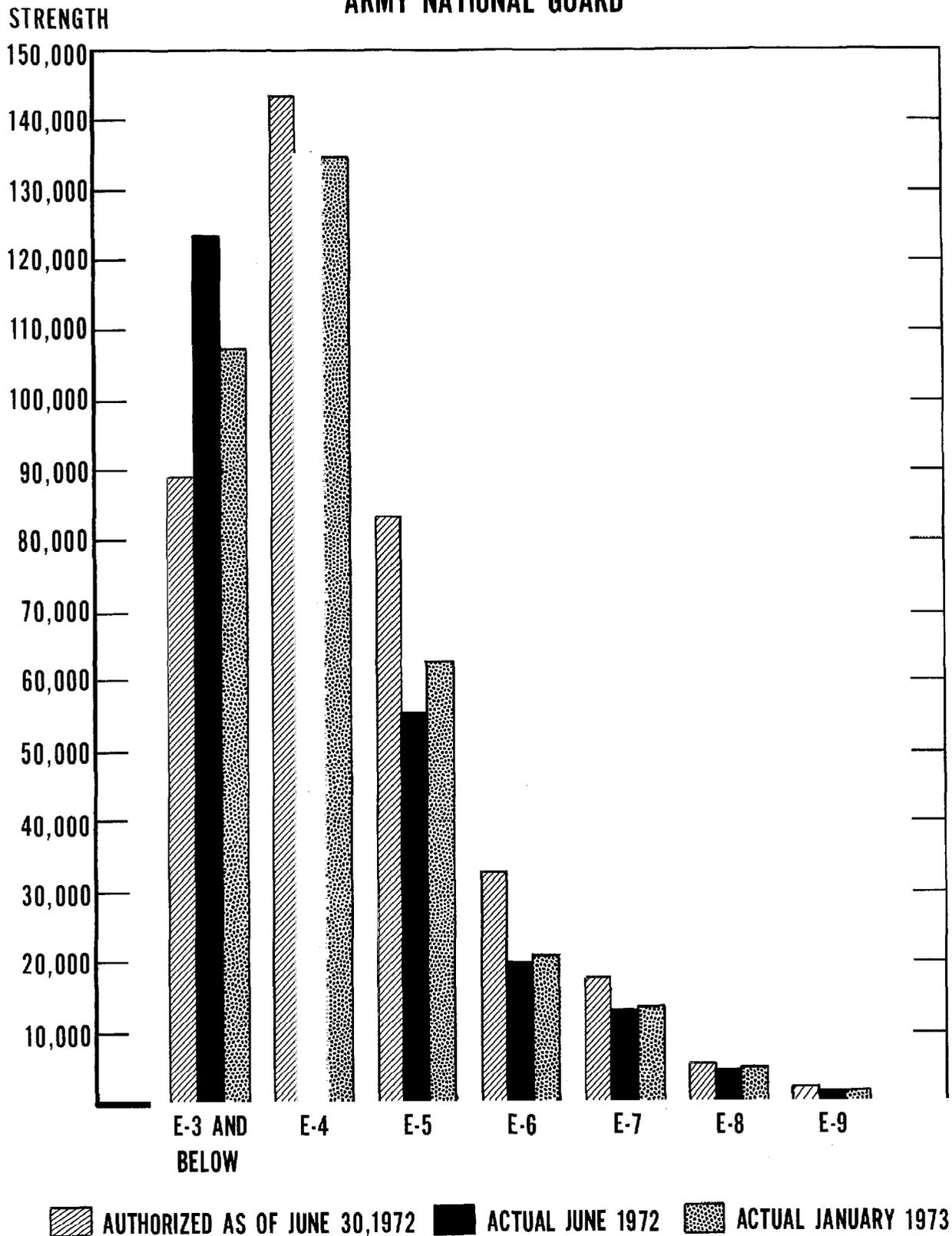
Higher enlisted grades have been vacant because few non-prior-service personnel have been reenlisting and prior-service enlistments were not emphasized during the periods of high draft calls. Since there was a waiting line of non-prior-service replacements, the problem of filling higher enlisted grades was not of much concern because total requirements were being met. However, as the waiting line diminished, prior-service enlistments were emphasized. At the present rate of prior-service recruiting, the shortfall in the higher grades will soon fill up and the present rate of recruiting non-prior-service personnel will produce a large shortfall in the lower grades. The following graph shows that the Army National Guard's lower grades are decreasing in strength and that the higher grades (E-5 and above) are increasing in strength.

The following table compares the distribution of prior-service accessions,<sup>1</sup> by grade, for the Army National Guard from November 1972 to January 1973.

	<u>1972</u>		<u>1973</u>	<u>Total</u>	<u>Percent</u>
	<u>November</u>	<u>December</u>	<u>January</u>		
E-9	-	-	-	-	-
E-8	4	3	11	18	0.2
E-7	97	76	98	271	3.1
E-6	239	203	299	741	8.6
E-5	890	754	933	2,577	29.9
E-4	1,110	936	1,329	3,375	<u>39.2</u>
Total					<u>81.0</u>
E-3	462	325	363	1,150	13.5
E-2	105	80	110	295	3.4
E-1	42	13	41	96	1.1
Unknown	<u>24</u>	<u>27</u>	<u>36</u>	<u>87</u>	<u>1.0</u>
Total					<u>19.0</u>
Total	<u>2,973</u>	<u>2,417</u>	<u>3,220</u>	<u>8,610</u>	<u>100.0</u>

<sup>1</sup>Includes 706 transfers from other Reserve components.

## COMPARISON OF AUTHORIZED AND ACTUAL ENLISTED STRENGTH BY GRADE ARMY NATIONAL GUARD



## GENERAL OBSERVATIONS

Our preliminary observations have left us with the impressions that the Reserve components need considerably more career progression analysis and that this should be coordinated with the Active Force components in keeping with the total force concept.

The general attitude we observed was that the number of prior-service enlistments should not be limited because prior-service personnel were easier to recruit than non-prior-service personnel and that such matters as career force structure, skill balance maintenance, and grade stagnation are secondary. We also observed that the services generally consider the Reserve recruiting to be a problem of the Reserve components rather than of the total force.

Some of the questions we believe should be answered are:

- What should be the appropriate size and structure of the Guard and Reserve for increasing the Active Forces?
- Should there be compatibility between and consistent application of standards for enlistment into Reserve components and the Active Forces?
- What is the best feasible means of insuring a uniformly high state of readiness and training of Reserve component personnel?
- What kind of information does management need? How should this information be communicated?
- What new benefits are necessary to enlist and retain adequate numbers of personnel?

## CHAPTER 6

### COST OF AN ALL-VOLUNTEER FORCE

The President's budget for fiscal year 1974 estimated expenditures of \$79 billion for DOD, an increase of \$4.2 billion over fiscal year 1973. The increase in expenditures related to (1) increases in military and civilian pay, (2) pay and benefit raises sufficient to achieve an AVF, (3) higher military retirement annuities, and (4) normal price increases. Despite an end to the Vietnam war and a reduction in the active forces from 3.5 to 2.2 million men, the cost of defense continues to rise.

Pay and related costs for active duty, guard and reserve, and civilians in DOD rose from \$32.6 billion in fiscal year 1968 to about \$41.8 billion in fiscal year 1973. As a percent of the total DOD costs, pay and related costs increased from about 42 percent in fiscal year 1968 to 56 percent in fiscal year 1973.

DOD programs for the AVF have contributed about 23 percent of the increase in personnel costs (the increases since fiscal year 1968, enacted in accordance with the principle of keeping military pay comparable to similar jobs in the civilian economy, account for the preponderance of the increase). OSD's Project Volunteer costs budgeted for fiscal year 1974 are about \$3.192 billion. The Army has budgeted about \$2.022 billion in "soldier-oriented" improvements exclusive of Project Volunteer funding, some of which received priority because of the effort to move to an AVF. Such soldier-oriented items as elimination of K.P. are related to the AVF. However, OSD advised that such items as maintenance and repair (\$248 million), family housing construction (\$181.5 million), medical care (\$366 million) and CHAMPUS<sup>1</sup> (\$206 million) are not primarily attributable to AVF. OSD does not include Army soldier-oriented amounts in the Project Volunteer budget and this understates the incremental costs of an AVF. We estimate these understated incremental costs primarily relating to the AVF amount to about \$1.090 billion.

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<sup>1</sup>Civilian Health and Medical Program of the Uniformed Services.

OSD indicates that the growth in volunteer-related items occurs primarily in the Army budget, not in the other services. According to OSD the growth is minor in the other service budgets in volunteer-related items not funded by AVF funds. However, because a record of all the expenditures for the AVF has not been maintained, we have no way to determine the total additional costs attributable to the AVF.

#### ROLE OF COMPENSATION

Military personnel receive compensation from some or all of the following categories: basic pay, quarters (allowances or quarters furnished), subsistence (allowances or rations), clothing (allowances or clothing furnished), special pays, incentive pays, family separation allowances, proficiency pays, enlistment bonuses, regular and variable bonuses, Federal income tax exemption, dependency and indemnity compensation, death gratuities, medical care for service personnel and dependents, terminal leave pay, severance pay, retirement, and commissary and post exchange privileges.

Before 1971 the role of military compensation was to retain and motivate careerists because the draft insured meeting first-term requirements. Between 1952 and the passage of the Military Selective Service Act (Public Law 92-129) in 1971, military pay levels of first-term enlisted personnel were well below those of comparable civilians. Many of the increases during this period raised only the pay of the careerists. Several special pays and bonuses were enacted to insure continued service of personnel with critical skills.

In 1971 Public Law 92-129 authorized significant pay increases for military personnel in the first 2 years of service. Enlisted men and officers with less than 2 years of service received average increases in basic pay of 61.2 percent and 91 percent, respectively, and enlisted men and officers with more than 2 years of service received average increases in basic pay of 3 percent and 0.1 percent, respectively.

DOD's pay system for the AVF appears to be based on

- the pay levels established by Public Law 92-129 and the linking of military pay to pay increases granted to Federal General Schedule (GS) employees, as provided for in Public Law 90-207 enacted in December 1967;
- the bonuses and special pay incentives to satisfy shortfalls that develop in critical skills; and
- essentially the present supplemental benefits.

OSD advised that the services have made marked progress in insuring that service personnel are fully apprised of their earnings on a regular basis. Further, because visibility of military pay (confused by so many categories of pay) no longer presents a problem of major significance and because of continued progress in this direction, the present pay and allowance system should fulfill its attraction and retention purposes for volunteers. OSD states that, except possibly for precise calculation of the tax advantage, military personnel under the present pay and allowances system fully understand their monthly pay.

DOD presently considers military pay levels as "reasonably competitive." This means that on the average, without consideration of certain special skills, DOD should be able to attract and retain the required numbers of quality personnel within the competitive labor market. However, OSD advises that DOD remains at a disadvantage in competing for specialists whose skills command a premium wage in the civilian labor market. OSD states that for this reason the system of applying prepaid wage differentials was adopted to meet the competition from the civilian market in certain special skills. These wage differentials are paid as variable reenlistment bonuses and continuation pays and they are focused on the high cost competitive skills at the reenlistment decision point.

OSD advised that the current pay levels and the pay changes in the Uniformed Services Special Pay Act will attract and retain the required numbers of personnel with the aptitudes and skills needed.

## PROBLEMS IN COMPUTING THE ADDED COST

Major costs associated with the transition to the AVF include increased funding for basic pay and allowances, additional bonuses, special pays, recruitment, improved living quarters, education, and other programs.

Our analysis of AVF-related programs in the defense budgets for fiscal years 1972-74 is summarized below. Except for the Army's soldier-oriented programs, we have no way to determine the extent that other costs indirectly associated with the AVF may have been included in the service budget.

### Project Volunteer

In April 1969 OSD established a Project Volunteer Committee and designated the Assistant Secretary of Defense (Manpower and Reserve Affairs) as chairman. This committee has directed the development of comprehensive action programs for the AVF.

The Congress authorized funds for Project Volunteer in fiscal years 1972 and 1973. The following schedule shows how DOD spent its Project Volunteer funds in fiscal year 1972, estimated its expenditures in fiscal year 1973, and programmed its funds for fiscal year 1974.

	<u>Project Volunteer funds</u>		
	<u>Actual</u>	<u>Estimated</u>	<u>Programed</u>
	<u>1972</u>	<u>1973</u>	<u>1974</u>
	----- (millions) -----		
<b>Enacted legislation:</b>			
Public Law 92-129:			
Basic pay	\$1,154.1	\$1,757.2	\$1,757.2
Quarters allowances	391.9	619.6	<sup>a</sup> 619.6
Combat arms enlistment bonus	12.4	46.4	<sup>a</sup> 62.9
Recruiter out-of-pocket expenses	2.2	4.5	4.9
Special pay for optometrists	<u>.4</u>	<u>.7</u>	<u>.7</u>
Total	1,561.0	2,428.4	2,445.3
Scholarships and subsistence for			
ROTC and OCS (note b) (Public			
Laws 92-166, 92-171, and 92-172)	17.9	22.5	25.6
Scholarships for health professions			
(Public Law 92-426)	-	<sup>c</sup> 19.5	47.6
Special pay for nuclear qualified			
enlisted personnel (Public			
Law 92-581)	<u>-</u>	<u>1.8</u>	<u>3.5</u>
Total	1,578.9	2,472.2	2,522.0
<b>Proposed legislation:</b>			
Uniformed Services Special Pay Act	-	-	<u>225.3</u>
<b>Nonlegislative items:</b>			
Recruiting and retention programs	98.7	141.5	210.4
Living quarters improvements	70.5	10.6	13.5
Education programs	12.1	22.3	53.1
Other service initiatives	<u>125.3</u>	<u>70.6</u>	<u>167.2</u>
Total	<u>306.6</u>	<u>245.0</u>	<u>444.2</u>
Total	<u>\$1,885.5</u>	<u>\$2,717.2</u>	<u>\$3,191.5</u>

<sup>a</sup>Anticipates that authority to pay combat arms enlistment bonus and increased quarters allowances to enlisted members in pay grades E-1, E-2, E-3, and E-4 (4 years or less service) will be extended beyond June 30, 1973.

<sup>b</sup>Reserve Officer Training Corps and Officer Candidate School.

<sup>c</sup>\$13.9 million included in fiscal year 1973 supplemental request.

Except for Public Law 92-129 and the proposed Uniformed Services Special Pay Act, DOD has not included the cost of military pay increases in the Project Volunteer funding. According to DOD, the across-the-board pay raises on January 1, 1972, and January 1, 1973, were cost-of-living adjustments which should not be charged to the AVF.

#### FUTURE COST

Estimating the future costs of an AVF will depend on numerous variables. Research studies considered the effect of pay increases on the supply of volunteers as a significant variable. The President's Commission estimated that a 10-percent increase in first-term compensation would result in a 12.5-percent increase in volunteers.

The transition to an AVF in recent years has been accompanied by decreasing force levels and increasing manpower costs. If force levels need to be increased in the future, the cost of volunteers may increase sharply.

In March 1972 DOD submitted a special pay proposal to the Congress. The bill passed the House of Representatives late in the session but did not pass the Senate. The bill, at that time, contained five provisions.

- Extension of the combat arms enlisted bonus to cover critically short skills.
- A new selective reenlistment bonus to replace the current reenlistment and variable reenlistment bonuses.
- An officer continuation bonus to achieve a higher retention rate among critically short junior officers.
- Enlistment and reenlistment bonuses for reserve forces.
- An increase in medical special pay and a major new program of bonuses for the health professions.

The DOD Uniformed Service Special Pay Act of 1973 includes the following fiscal year 1974 costs.

	<u>Cost</u>
	(millions)
Enlistment bonus for shortage skills	\$ 42.6
Selective reenlistment bonus	2.3
Officer variable incentive pay	20.0
Enlistment and reenlistment bonuses for reservists	85.4
Medical officer special and variable incentive pays	<u>75.0</u>
Total	<u>\$225.3</u>

## CHAPTER 7

### SCOPE

Our study focused on the feasibility of an AVF and its related costs, primarily reflecting the published record. The study considered the status of both the Active and the Reserve Forces.

We (1) discussed the feasibility and cost matters with responsible DOD officials and obtained the views of selected authorities on military manpower matters outside DOD, (2) identified the findings of major studies regarding the feasibility and cost associated with an AVF, (3) contacted research organizations to ascertain the availability of current data and analyses which could be used in our study, and (4) reviewed pertinent AVF legislation. Enlistment data and analyses maintained by the Research Analysis Corporation were used extensively in our evaluation.

In addition, we reviewed OSD and service directives, regulations, and policies related to the recruitment, retention, and management of military personnel; examined programs aimed at using alternative sources of manpower; evaluated each military service's enlistment and retention progress to date toward elimination of the draft; evaluated each service's ability to obtain the quantity and quality of enlisted accessions which it stated were needed; and determined the added annual cost attributable to an AVF.

We performed our work from January through April 1973 at OSD and at each of the military departments.

Our study:

- Evaluated the ability of the services to enlist the desired number and quality of personnel but did not evaluate the ability of the services to meet total-force manning objectives.
- Assumed that established accession and retention objectives were valid.

--Accepted the enlistment quality goals established by each service.

--Accepted as accurate the data provided by OSD and military services.

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## MENTAL CATEGORIES

Each military service establishes mental standards in terms of the percentile score that an applicant must obtain on the Armed Forces Qualification Test<sup>1</sup> to be eligible for enlistment. The Air Force also requires an acceptable score on its aptitude battery. From time to time the other services require applicants scoring in mental categories III and IV to meet additional criteria, such as being high school graduates or passing certain aptitude tests.

DOD uses the Armed Forces Qualification Test scores to group all new enlistees and draftees into the following mental categories, from which it measures the overall quality of new accessions and monitors trends.

<u>Mental category</u>	<u>Percentile score</u>
I	93 to 100
II	65 to 92
IIIA (upper)	49 to 64
IIIB (lower)	31 to 48
IVA (upper)	21 to 30
IVB (lower)	10 to 20
V (unacceptable)	9 and below

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<sup>1</sup>The Navy recently received OSD permission to use another test, but the scores are required to be converted to an equivalent Armed Forces Qualification Test score.

METHODS OF CALCULATING TRUE VOLUNTEERS

Two methods for estimating true volunteer enlistments are discussed below. These methods, referred to as maximum and minimum, provide upper and lower bounds to the various methods developed by the Research Analysis Corporation for estimating true volunteers. These methods deal differently with the following three accession groups:

1. Enlistees with lottery numbers.
2. Enlistees without lottery numbers.
3. Draftees.

The differences between estimates are caused primarily by the assumptions used by the Research Analysis Corporation in each method concerning enlistees without lottery numbers and draftees. More specifically, the methods assume different percentages of enlistees without lottery numbers to be true volunteers, and only the maximum method includes draftee volunteers in the Army total. The differences in the methods are discussed further below.

ENLISTEES WITH LOTTERY NUMBERS

Both methods develop estimates of true volunteers in this group in the same manner except for one minor point. Initially, the number of enlistees with lottery numbers higher than 240 in each mental group is calculated. These enlistees are all considered true volunteers since their lottery numbers put them in a group whose probability of being drafted is virtually zero.

The total number of true volunteers in each mental category is then estimated by multiplying the number of true volunteers with lottery numbers greater than 240 by a factor which varies slightly for the 2 methods. The maximum estimate uses 2.905 (366/126) while the minimum method uses 2.92 (365/125). The difference is due to an assumption concerning leap year and is insignificant.

ENLISTEES WITHOUT LOTTERY NUMBERS

The difference between the estimating methods for this group accounts for a large part of the spread in the two estimates. The maximum method assumes that 100 percent of those in this group are true volunteers; the minimum method assumes 75 percent.

DRAFTEES

The maximum method includes draftees in the estimate of Army true volunteers; the minimum method does not.

## METHOD FOR CALCULATING FISCAL YEAR 1974

## ARMY ENLISTMENTS

The method used to compute projected fiscal year 1974 enlistments for the Army follows. The same method was used for projecting enlistments in the other services, except for the Navy where we used the 6-month period ended December 1972 as explained on page 22.

<u>Period</u>	<u>Mental categories I, II, and III true volunteer estimates (seasonally adjusted)</u>	
	<u>Maximum</u>	<u>Minimum</u>
1972:		
September	11,071	9,427
October	11,773	9,728
November	10,524	8,865
December	10,774	9,276
1973:		
January	11,769	9,987
February	<u>8,360</u>	<u>7,306</u>
Total (6 months)	64,271	54,589
Annualized (total 6 month x 2)	<u>128,542</u>	<u>109,178</u>
Annualized after allowance for 20 percent mental category IV (Annualized mental category I, II, and III ÷ 80 percent)	160,678	136,473
Rounded	161,000	136,000

PRINCIPAL OFFICIALS OF DOD AND MILITARY  
DEPARTMENTS RESPONSIBLE FOR ACTIVITIES DISCUSSED  
IN THIS REPORT

	Tenure of office	
	From	To
<u>DEPARTMENT OF DEFENSE</u>		
SECRETARY OF DEFENSE:		
Elliot L. Richardson	Jan. 1973	Present
Melvin R. Laird	Jan. 1969	Jan. 1973
DEPUTY SECRETARY OF DEFENSE:		
William P. Clements	Jan. 1973	Present
Kenneth Rush	Feb. 1972	Jan. 1973
Vacant	Jan. 1972	Feb. 1972
David Packard	Jan. 1969	Dec. 1971
ASSISTANT SECRETARY OF DEFENSE (MANPOWER AND RESERVE AFFAIRS):		
Roger T. Kelley	Mar. 1969	Present
Vacant	Feb. 1969	Mar. 1969
Alfred B. Fitt	Nov. 1967	Feb. 1969
ASSISTANT SECRETARY OF DEFENSE (HEALTH AND ENVIRONMENT) (note a):		
Dr. Richard S. Wilbur	July 1971	Present
Dr. Louis H. Rousselot	Jan. 1968	July 1971
<u>DEPARTMENT OF THE ARMY</u>		
SECRETARY OF THE ARMY:		
Robert F. Froehlike	July 1971	Present
Stanley R. Resor	July 1965	June 1971
ASSISTANT SECRETARY OF THE ARMY (MANPOWER AND RESERVE AFFAIRS):		
Carl S. Wallace	Mar. 1973	Present
Hadlai A. Hull	May 1971	Mar. 1973
Donald W. Snull (acting)	Dec. 1970	May 1971
William K. Brehm	Apr. 1968	Dec. 1970

## APPENDIX IV

		<u>Tenure of office</u>	
		<u>From</u>	<u>To</u>

DEPARTMENT OF THE ARMY (continued)

## CHIEF OF STAFF:

Gen. Creighton W. Abrams	Oct. 1972	Present
Gen. Bruce Palmer, Jr. (acting)	June 1972	Oct. 1972
Gen. William C. Westmoreland	July 1968	June 1972

## THE SURGEON GENERAL:

Lt. Gen. H. B. Jennings, Jr.	Oct. 1969	Present
Lt. Gen. Leonard D. Heaton	June 1959	Sept. 1969

DEPARTMENT OF THE NAVY

## SECRETARY OF THE NAVY:

John W. Warner	May 1972	Present
John H. Chafee	Jan. 1969	May 1972

ASSISTANT SECRETARY OF THE NAVY  
(MANPOWER AND RESERVE AFFAIRS):

James E. Johnson	June 1971	Present
Robert H. Willey (acting)	Apr. 1971	June 1971
James D. Hittle	Mar. 1969	Mar. 1971
Vacant	Feb. 1969	Mar. 1969
Randolph S. Driver	Apr. 1968	Jan. 1969

## CHIEF OF NAVAL OPERATIONS:

Adm. Elmo R. Zumwalt, Jr.	July 1970	Present
Adm. Thomas H. Moorer	Aug. 1967	June 1970

## THE SURGEON GENERAL:

Vice Adm. D. L. Custis	Feb. 1973	Present
Vice Adm. George M. Davis	Feb. 1969	Jan. 1973
Vice Adm. R. B. Brown	Feb. 1965	Jan. 1969

## COMMANDANT OF THE MARINE CORPS:

Gen. Robert E. Cushman, Jr.	Jan. 1972	Present
Gen. Leonard F. Chapman, Jr.	Jan. 1968	Dec. 1971

DEPARTMENT OF THE AIR FORCE

## SECRETARY OF THE AIR FORCE:

Robert C. Seamans, Jr.	Feb. 1969	Present
Dr. Harold Brown	Oct. 1965	Feb. 1969

DEPARTMENT OF THE AIR FORCE (continued)

## ASSISTANT SECRETARY OF THE AIR FORCE

## (MANPOWER AND RESERVE AFFAIRS):

Richard J. Borda	Oct. 1970	Present
James P. Goode (acting)	Apr. 1970	Oct. 1970
Dr. Curtis W. Tarr	June 1969	Apr. 1970
James P. Goode (acting)	Mar. 1969	June 1969
J. William Doolittle	Apr. 1968	Mar. 1969

## CHIEF OF STAFF:

Gen. John D. Ryan	Aug. 1969	Present
Gen. John P. McConnell	Feb. 1965	July 1969

## THE SURGEON GENERAL:

Lt. Gen. Robert A. Patterson	Aug. 1972	Present
Lt. Gen. Alonzo A. Towner	May 1970	July 1972
Lt. Gen. K. E. Pletcher	Dec. 1967	Apr. 1970

<sup>a</sup>This position was formerly entitled "Deputy Assistant Secretary of Defense (Health and Medical)" under the Assistant Secretary of Defense (Manpower and Reserve Affairs). The change was effective in June 1970. Dr. Rousselot occupied the position under both titles.

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